Daily Report

East Europe

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Council of Ministers Views 'Grave' Shkoder Situation

AU1311210091 Tirana Radio Tirana Network in Albanian 1900 GMT 13 Nov 91

[Statement issued by the Council of Ministers' Press and Information Office in Tirana on 13 November]

[Text] The Council of Ministers met yesterday afternoon, in a session chaired by Prime Minister Ylli Bufi. As the first item on the agenda of the meeting, to which chairmen of the Executive Committee, the Public Order Branch, and justice organs of Shkoder District were also invited, the government analyzed the serious public order situation in this district.

The public order situation in Shkoder, as the reports of local officials also stressed, remains grave. Crime is rising. Serious crimes are evident, such as the burning and looting of shops, mass thefts, and threats to the populace by delinquents. There is a tendency toward organized crime. In their discussion of this problem, the members of the government had many comments on the work of the District Executive Committee, the Public Order Branch, and the justice organs. They proposed specific measures to reestablish order as soon as possible and to urgently cope with the serious situation. The mass violations of the law, it was said at the meetings, have been caused by the grave economic situation, but this is not the main reason. The economic difficulties in this district are no worse than several months ago, when crime was at a lower level, nor are they worse than in other districts where crime has not assumed such dimensions. It was stressed that the main reason for the destabilization of public order in Shkoder District has been the dilatoriness of the apparatus of the Executive Committee in starting to implement the economic reform, to privatize shops and communal services, and to distribute land, and its failure to coordinate law enforcement with the forces of order, the procurator, the investigator, and the courts.

The Council of Ministers, holding the chairmen of these organs responsible, instructed them to urgently and realistically analyze the shortcomings in their work and to take urgent measures to eliminate them. A range of measures were also laid down to provide additional staff for the Public Order Branch and the District Investigator's Office.

Prime Minister Ylli Bufi, concluding this analysis, criticized some weaknesses in the work of the Public Order Ministry, the Investigator General's Office, the Procurator General's Office, and other ministries, which should support this district more. He instructed all ministers and the apparatus of the Prime Minister's Office to give priority assistance to solving this district's specific problems. The difficult situation, the prime minister finally concluded, can and must be confronted by the work of the Pluralist Executive Committee, the Public Order Branch, the investigator, the procurator, and the District Court themselves. All these authorities must enforce the law according to their functions, and must not evade their shortcomings and responsibilities. The work and support of the police, the justice organs, and the Executive Committee will help to stabilize the public order situation. The Council of Ministers instructed the chairmen of these bodies to carry out a thorough analysis of their work and of the district's economic, political, and social problems, programming tangible measures to overcoming the situation that has arisen. He decided that a government team will go to Shkoder District within two weeks in order to see how far the duties laid down at this meeting have been carried out.

The Council of Ministers then examined the draft decree on social assistance for persons who will become unemployed because of the economic reform. It was decided that the draft decree should be revised and submitted for approval soon.

The Council of Ministers decided to give economic assistance to those peasant families with limited amounts of land. According to the decision, the state will give assistance to those families that have received land deeds, but whose area of land does not provide them with a subsistence. Those peasant families with little land but with a member of the family employed in a state enterprise or private trade will not benefit from the assistance. The decision lays down how assistance will be calculated, the documentation required for obtaining it, and where the payments are to be made.

On the proposal of the Education Ministry, the Council of Ministers decided to create the universities of Elbasan and Gjirokaster on the basis of the Aleksander Xhuvani College of Higher Education in Elbasan and the Eqrem Cabej College of Higher Education in Gjirokaster. He instructed the Education Ministry to prepare a draft decree to create a university in Korce by the end of December. The meeting also decided to create an academy of arts on the basis of the Higher Institute of Arts.

People's Assembly Debate on Radio-TV Continues

AU1311210391 Tirana Radio Tirana Network in Albanian 1430 GMT 13 Nov 91

[Text] The People's Assembly resumed its session at 0930 [0830 GMT] this morning. Discussion continued on the Democratic Party [PD] parliamentary group's proposal to add an additional item on the agenda, on the appointment of the directors of Radio-Television. Following yesterday's debate on this topic, there were an additional 37 speeches on this proposal today, in which the two parliamentary groups took opposing views on the work of Radio and Television. The PD parliamentary group's deputies condemned the stand of the Radio and Television's directors so far and called for their replacement. The Socialist Party [PSSh] parliamentary group expressed the view that the problem of Radio and Television should be discussed when the Press Law is

examined, when the status, platform, and mode of management of Radio-Television will also be defined.

Many arguments in this debate centered on the great role played by Radio-Television in all aspects of the country's life and the place of this institution in the service of national interests and the entire people. The PD deputies called for the problems of Radio-Television, where a strike by the Independent Trade Union has now continued for several days, to be settled at once. The PSSh deputies emphasized that there are many other problems besides these that require immediate solution. In this discussion, there were opposing views on party lines, with various insinuations that violated parliamentary ethics. The Assembly will continue its proceedings this afternoon at 1700.

Opposition Wants Directors Replaced

AU1311204391 Tirana ATA in English 1057 GMT 13 Nov 91

[Text] Tirana, November 13 (ATA)—The People's Assembly started proceedings on November 13 in the afternoon in plenary session. It was chaired by the vice chairman of the Presidency of the People's Assembly, Lush Perpali, who forwarded the decisions adopted by the parliamentary groups on the agenda. He gave the floor to the chairman of the parliamentary group of the Democratic Party, Neritan Ceka, who said that the agenda should include also the examination and adoption of a special article on the RTV [Radio-Television] officials and then pass onto the examination of other laws. The chairman of the parliamentary group of the Socialist Party, Namik Dokle, voiced the opinion of the group it represents that the assembly should continue with the agenda defined before, that is with the laws on the working relations and the article on the RTV officials should be considered when the draft laws on the status of the RTV and other mass media be adopted.

Numerous debates and discussions were made on these two proposals and the deputies of the parliamentary group of the Democratic Party were for the immediate substitution of the leaders of the RTV, whereas the deputies of the parliamentary group of the Socialist Party argued that this cannot be done now because the people have other problems to be solved.

The assembly continues its proceedings on November 13.

Trade Unions Protest Local Authority Pressure

AU1311170991 Tirana Radio Tirana Network in Albanian 1430 GMT 13 Nov 91

[Text] The Confederation of Albanian Trade Unions [KSSh] declared long ago, and has proved in its work, that it supports the National Stability Government and public order and peace, a KSSh declaration states. However, we note with regret and indignation that certain political forces and their representatives in local government are violating and trampling on the law, thus destroying the political atmosphere and encouraging unnecessary social confrontations among the trade unions and the political parties.

The most flagrant case was in Fier on 9 November, when the forces of order arbitrarily and without warning broke down the door of the district KSSh offices. Similarly, an order by the chairman of the Pluralist Executive Committee of Shkoder District called for the eviction of the District KSSh's Trade Union Council from its office and the installment of the Union of Independent Trade Unions in its place, a totally illegal act. This case has also been considered by central government authorities, but no steps have been taken over it. This dilatoriness has inevitably led to a confrontation between the two trade unions, embittering and jeopardizing the atmosphere in the city of Shkoder. We demand the energetic intervention of the competent authorities. The government and other authorities that approve the laws and are responsible for implementing them must consistently enforce the law, because this is the only way to help to maintain stability and to establish peace and social calm.

Democratic Party Seeks Exiles Barred From Assembly

AU1311210691 Tirana Radio Tirana Network in Albanian 1900 GMT 13 Nov 91

[Text] A declaration by the National Democratic Party points out that the party supports the initiative to summon the assembly of national conciliation and unification, which it considers to be a noble expression of the party's basic goals. However, it is said that political parties of Albanian emigres should not take part in the assembly, especially the main groups of Legality [Legaliteti], the National Front [Balli Kombetar], and His Majesty Leka I. Under such conditions, the declaration states, the National Democratic Party considers it premature and inappropriate to summon this assembly.

Communist Party Supports Pan-National Assembly

AU1311171191 Tirana Radio Tirana Network in Albanian 1430 GMT 13 Nov 91

[Text] A statement by the Albanian Communist Party among other things hails the initiative of a group of intellectuals for holding a pan-national assembly, because the questions of national sovereignty, the homeland's defense, and the country's progress and prosperity through the conscious labor and efforts of the entire people are the main pillars of the party's program. In the common struggle for freedom and democracy, against any aggression of foreign invaders, and against any antinational and divisive forces inside or outside Albania, we Albanian Communists remain loyal to the patriotic traditions of our slogan: Unity regardless of religion, region, or beliefs. We welcome this initiative and will take part in the assembly. There is no reason why the political and ideological struggle according to class interests and party programs should prevent us or

anyone else from uniting in a common front, the Albanian Communist Party's statement stresses.

Pashko, Bufi Speak at Colloquium on Oil Industry

AU1311204991 Tirana ATA in English 1005 GMT 13 Nov 91

[Text] Tirana, November 13 (ATA)—On November 12, upon the initiative of a group of oil industry, the colloquium "Oil and Market Economy" was held in the city of Fier.

Attending were Ylli Bufi, chairman of the Council of Ministers and Dr. Gramoz Pashko, deputy chairman of the Council of Ministers and minister of economy.

Three reports prepared by a group of specialists were read out. They treated problems that have to do with the reorganization and restructuring of oil industry in the context of the demands of the new economic reform for transition onto the market economy.

Answering some questions, Dr. Gramoz Pashko explained among others some directions that ought to be born in mind during the transition to the market economy of oil industry. He said that it is important that all consider oil and gas as national assets and as such they must be treated with a special care. We cannot extend privatization in the oil industry, he said, without creating the market, without considering the resources we possess, etc. Nevertheless, it is quite possible to reorganize this industry having in mind a very modern concept, with such appropriate structures for foreign partners, which harmonize the personal initiative and interests with the state ones.

In the end Ylli Bufi, chairman of the Council of Ministers, took the floor. Among the other things he pointed to the main moments to be borne in mind. The government should help at this period to ensure foreign assistance in order to find optimal forms of the restructure of oil sector, cooperating with the most qualified intellectuals of this sector. Secondly he considered as indispensable the fast rate withdrawal of foreign capital in oil industry.

Kapllani Meets Belgium's Eyskens, EEC's Andriessen

AU1311204691 Tirana ATA in English 1013 GMT 13 Nov 91

[Text] Tirana, November 13 (ATA)—The foreign minister of Belgium, M. Eyskens, received the Albanian Foreign Minister M. Kapllani and had a warm and friendly talk with him. He spoke of the opportunities of the development of bilateral relations and those with European Community [word indistinct] and said that Belgium may aid Albania in the field of cooperation for small and middle-size enterprises, the mechanization of agriculture, transport means, etc.

With regard to the concern of the Belgian Minister Eyskens for the danger of Yugoslav crisis and the state of the Albanians in Yugoslavia, the Albanian minister said that Albania supports the sanctions of European Community and G-24 [Group of 24] on Yugoslavia and stressed that the Yugoslav crisis is not solved resorting to violence, either with selective principles, but in a democratic way and observing the equal right of all the peoples for self-determination. At the meeting with Mr. Andriessen, deputy president of the Commission of the European Community, Muhamet Kapllani appreciated the readiness of the European Community to help Albania with food and humanitarian aids and pointed to the importance of the supply with raw materials for the recovery of the Albanian economy. On his part, Andriessen appreciated Albania's cooperation in the program of the European Community for aid to the Central and Eastern European countries and the importance of the signing of the agreement for economic and trade cooperation between the European Community and Albania. Albania's participation in G-24, said Andriessen, is a new stage of Albania's cooperation with international community.

Presidential Elections Scheduled for 12 Jan 1992

Assembly Vote Announced

AU1311185391 Sofia BTA in English 1832 GMT 13 Nov 91

[Text] Sofia, November 13 (BTA)—Today, with an overwhelming majority and in compliance with the Constitution, the National Assembly set the date for the Bulgarian presidential elections: January 12, 1992.

The date was fixed with 193 votes for, three against and four abstentions.

Liberal Party To Support Zhelev

AU1311213591 Sofia BTA in English 2031 GMT 13 Nov 91

[Text] Sofia, November 13 (BTA)—Mr. Petko Simeonov himself and the Liberal Party he leads will support Dr. Zhelyu Zhelev's candidature for a second term as president.

Dr. Zhelev has proved he can be president of all Bulgarian citizens irrespective of their political views, Mr. Simeonov told a press conference today. On the other hand, he added, in our opinion Dr. Zhelev's political convictions are far from being extreme, he is a level-headed person who seeks compromising political solutions and is capable of achieving them.

Dr. Zhelev is a true champion of democracy which he defends unambiguously, Mr. Simeonov said and reminded Dr. Zhelyu Zhelev's adequate reaction on August 19 when made a statement condemning the Kremlin coup attempt and calling it with its true name, a military coup.

All this is enough for us to nominate him president for a second term or support his candidature, if he is nominated by somebody else, Mr. Simeonov said in conclusion.

Dr. Zhelyu Zhelev's nomination for the presidency is the most often discussed by the leadership of the Nikola Petkov Bulgarian Agrarian Party and most probably the Nikola Petkov Agrarians will supported his candidature in the coming presidential elections. But the final decision has not been made yet, the Nikola Petkov Agrarians' Standing Committee told a press conference today. The party's behaviour in the presidential campaign and the problem of the Agrarians' unity will be the main topics of discussion at the meeting of the Ruling Council scheduled for November 16-17. The Ruling Council will also set the date for the extraordinary congress of the Nikola Petkov Agrarians. According to the party rules it should be held within three months from the date the decision is made, i.e. at the end of January 1992.

Bulgaria needs a strong presidential republican rule which would be able to put an end to black-marketeering and crime and would make the National Assembly to stop squabbling and start creating the necessary legislation, the chairman of the Bulgarian Business Bloc, Mr. Zhorzh Ganchev, told journalists today.

Asked if his political image does not seem a bit strange to the conservative Bulgarian, Mr. Ganchev said that his presidential candidature is neither laughable nor vain as some people are trying to present it. In actual fact I feel responsible for this country—a responsibility I am ready to accept, he said, adding that his candidature was based on this and the comparatively high percentage of the vote the Business Bloc polled in the parliamentary elections. He predicted he would poll at least 31 percent of the vote in the presidential elections.

DPS To Support SDS Candidate

AU1311213191 Sofia BTA in English 2049 GMT 13 Nov 91

[Text] Sofia, November 13 (BTA)—Today parliament scheduled presidential elections for January 12, 1992. For the first time the president and the vice president will be elected directly.

At the end of its term the Grand National Assembly passed the Presidential Elections Act. Under its provisions, parties are entitled to nominate candidates while independent candidates need 5,000 signatures to be registered for participation in the elections. The president and the vice president will be elected by a single ballot-paper.

Registration should be completed 40 days prior to the election day, i.e. by December 3, 1991, at the latest.

Three parties which received less than one per cent in the recent parliamentary elections have already nominated their candidates.

The two major political forces, the Union of Democratic Forces (SDS) and the Bulgarian Socialist Party (BSP), have not announced their candidates yet, while the third parliamentary force, the Movement for Rights and Freedoms (DPS), announced it would support the SDS's candidate.

The presidential institution was established in Bulgaria in April 1990. The first two presidents, Mr. Petur Mladenov and Dr. Zhelyu Zhelev, were elected by parliament.

Prime Minister Dimitrov To Remain SDS Leader

AU1311175391 Sofia BTA in English 1713 GMT 13 Nov 91

[Text] Sofia, November 13 (BTA)—Prime Minister Filip Dimitrov will keep his post as leader of the Union of Democratic Forces (UDF) [SDS]. There will be no changes in the UDF National Coordinating Council, he told the press today after the Coordinating Council held its first meeting as the governing body of the UDF ruling coalition.

When asked by the press about his attitude to the Bulgarian Socialist Party's [BSP] protests against the bill on the reversion of illegally obtained state property which provides for the application of an administrative procedure instead of a judicial one, Mr. Dimitrov said that if the problem is resolved through the law court, the panel might decide that the BSP should revert to the state more than it actually owns, thus finding itself in a state of insolvency. If parliament passes the bill in question, the BSP will be allowed to use buildings as all other parties do and it will have the possibility of becoming a really normal party, Mr. Dimitrov said.

Names of BSP Shadow Cabinet Announced

AU1311152191 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 13 Nov 91

[Excerpts] Today at an extraordinary news conference of the Parliamentary Union for Social Democracy, Mr. Aleksandur Tomov, the prime minister of the Bulgarian Socialist Party [BSP] read the names of the BSP shadow cabinet members: [passage omitted]

Georgi Pirinski—deputy leader of the cabinet and alternative minister of economic reform and finance budget; Atanas Paparizov—foreign economic policy and foreign debt; Stefan Stoilov—industry and structural reform; Dimitur Yonchev—defense and national security; Filip Bokov—foreign affairs; Rosen Karadimov—internal affairs; Georgi Nikolov, people's representative from Silistra—agriculture and agrarian reform. In addition there is a special spokesman on agrarian reform—Zlatimir Orsov, 32 years old, obviously the youngest member of the shadow cabinet. Elisaveta Milenova is the shadow cabinet's minister of social policy and labor; Stoyko Penchev—transportation; Yordan Shkolagerski—justice; Stefan Balabanov—culture; Dr. Mimi Vitkova—health protection; Georgi Bozhinov—education and science; Doncho Konakchiev—territorial development, housing policy, and construction; Miss Velislava Dureva—environmental protection.

The shadow cabinet will also include 15-20 unpaid experts. It will be fully authorized to express the BSP official policy and seek better alternative solutions to everything that will be discussed by the actual cabinet. [passage omitted]

[Sofia BTA in English at 1617 GMT on 13 November in a Sofia datelined report on the BSP shadow cabinet gives the name of the shadow minister of culture as Petur Balabanov.]

SDS Deputy Proposes Legislation Amendments

AU1311123491 Sofia PODKREPA in Bulgarian 7 Nov 91 pp 1-2

[Interview with Ilko Eskenazi, member of the National Assembly for the Union of Democratic Forces, by Lyuba Kospartova; place and date not given: "Laws Are Expected to Take Makeup Examinations"]

[Text] [Kospartova] Mr. Eskenazi, which laws are expected to take so-called makeup examinations?

[Eskenazi] If we are talking about so-called makeup examinations, namely amendments of laws, I have in mind one particular law that was given very low marks and should be submitted to a new vote, namely the Law on Foreign Investments. I have drafted a bill on the economic activities of foreign citizens and on the protection of foreign investments.

[Kospartova] The opinion prevailed that the legislation of other European countries on the subject is good enough and that it is unnecessary for us to rediscover it or invent a new law.

[Eskenazi] The law was invented by a legislative majority supported by some other deputies. Naturally, it is impossible to copy foreign laws either entirely, or even with slight changes. Any law graduate is aware that such a law affects the civil-procedural code, the administrative-penal procedure, and the administrative procedure. It is absolutely impossible to treat this kind of legislation in such a lighthearted manner. Therefore, this law should be newly drafted and submitted to a new vote.

[Kospartova] When is this expected to happen?

[Eskenazi] I think that it should be one of our priorities. Certain amendments are also called for as in the case of the legislation on agricultural property, namely concerning the maximum size of the plots that one is entitled to own and concerning the agricultural plot market. The current law virtually obstructs the implementation of such measures. We should also decide on the question of land belonging to citizens living abroad. We should also devote attention to other procedural regulations that should be implemented in connection with the restoration of land property.

The Trade Law also requires some amendments, though less significant ones. The most important factor is that collective associations should be expressly declared not to be legal bodies, considering that this is likely to create great problems for numerous private companies. In addition to this, it is totally justified that collective associations should not be legal bodies, in my opinion. This is their purpose, as a matter of fact.

As a result of the speed at which the aforementioned law was adopted, there are numerous omissions and shortcomings in its text that, regardless of their extent and importance, should be corrected. After all, this is a law.

[Kospartova] What about the law on pensions of National Assembly members and high-ranking civil servants?

[Eskenazi] Naturally, it should be automatically amended. This has already been categorically decided. It is well known that the Union of Democratic Forces [SDS] did not vote for the law. It is also common knowledge who voted for it, and we stated as early as at that time that the law has no future.

[Kospartova] Is basic law, namely the Constitution, expected to be amended?

[Eskenazi] The Constitution should be amended, but we should examine the question of the extent to which we can rely on the majority. Certain amendments to the Constitution can be adopted by a simple majority, while others are subject to a two-thirds majority. We should assess which amendments are necessary and whether there are any possibilities for such amendments in the National Assembly.

I am convinced that both the Law on the Supreme Court and on the Constitutional Court are also subject to certain amendments, because they were passed in a hurry, because their texts are not sufficiently precise, and also because some articles of the aforementioned laws require substantial amendments.

[Kospartova] How much time is the makeup session expected to take?

[Eskenazi] I think that some amendments are easy. The Law on Deputies Pensions, for example, could be promptly repealed. I also presume that the amendment of the Trade Law is not likely to meet any serious resistance.

[Kospartova] How do you expect to overcome the people's anxiety about the fact that privatization is supposed to precede the restitution of property?

[Eskenazi] I do not share this opinion and a certain misunderstanding seems to have occurred in this respect. At least, the people I talked to in my legislative group are convinced that the two processes in question should go hand in hand, and that regardless of the legislation that is expected to be adopted, property that is subject to restitution will not be subject to privatization.

Ludzhev on BSP Obstruction, Spring Elections

AU1411132291 Sofia DEMOKRATSIYA in Bulgarian 8 Nov 91 pp 1-2

[Report on interview with Defense Minister Dimitur Ludzhev, formerly deputy prime minister, by Lev Kokushin; place and date not given: "The Bulgarian Socialist Party Is Likely to Obstruct the Government's Work With All Efforts"]

[Text] Eleven months ago, our government boarded a dilapidated boat that, within less than a year, we managed to transform into a respectable sailing boat with its own fairway, international ports, and lighthouse. This is how Dimitur Ludzhev figuratively, but quite accurately, described Dimitur Popov's cabinet, in which he played an important and difficult role.

After replacing Lukanov's team, we faced a huge and powerful communist structure, the deputy prime minister, who has just resigned, pointed out. We did not achieve all our goals, but we nevertheless created a new atmosphere, totally different from the one that prevailed under the totalitarian regime, and we successfully implemented some of our anti-inflation programs. We also managed to stabilize the economy to a great extent.

In addition to this, we initiated the privatization of state enterprises and companies on a commercial basis, an achievement for which the International Monetary Fund expressed high appreciation. The fund is now ready to grant us a special loan for privatization, but it insists on us submitting a specified program listing the actual objects of privatization and determining the deadlines. As far as I am concerned, I call for "shock privatization" and am ready to commit myself to this if entrusted with the department in question.

According to Mr. Ludzhev, the transformation of society requires very patient and persevering efforts, and the new Union of Democratic Forces [SDS] will not be capable of working at a "tremendous speed," for which it will certainly be attacked by the Bulgarian Socialist Party [BSP]. I do not exclude the possibility of new elections in the spring of 1992, considering that this would be the last chance for the BSP, which is undergoing a process of disintegration and impoverishment, to restore its power. The state is preparing to deprive the BSP of its financial resources and undeservedly acquired property. For this reason, the Socialists are talking about "a prompt revival of the economy," about "escalating price increases," and so forth, trying to foil the new government with their demagogic methods. As if Aleksandur Lilov did not know that the recent inflation rate hardly exceeded the 4 percent limit? The BSP leaders seem to live in another epoch and in another world.

Nevertheless, Filip Dimitrov's government is facing a difficult economic period, the more so because the future developments in the Soviet Union are unpredictable, despite the fact that cooperation with Russia was recently stimulated.

Moreover, Mr. Ludzhev thinks that social tension within our country is likely to increase. For the time being, the Podkrepa Trade Union organization is doing everything within its power to maintain social peace, while, Krustuy Petkov, the leader of the Confederation of Independent Trade Unions in Bulgaria [KNSB], is threatening us with a wave of strikes. Mr. Ludzhev pointed out: I have no problems with Podkrepa, such rumors are untrue. It is true, however, that I have problems with Mr. Trenchev, while my relations with the miners and petrochemical industry workers are excellent.

The deputy prime minister stated: We tried using all available means to avert ethnic conflicts, but what is the BSP doing? It is fanning the conflict, it is inciting Bulgarians against Turks, which is the characteristic style of this party, as a matter of fact. By such actions, the BSP will try to foil the work of the National Assembly and of the future government. Perhaps Mr. Lilov is right in saying that he has not yet danced his last waltz. However, I am convinced that his spring dance will end in the same way as his autumn dance did, Dimitur Ludzhev declared

upon seeing off the journalists he received in his office on the second floor of the Council of Ministers building. According to reliable information, he worked 12-14 hours a day in this office during the last 11 months.

Podkrepa Leader Trenchev on Trade Union's Role

AU0811205091 Sofia DEMOKRATSIYA in Bulgarian 5 Nov 91 p 3

[Interview with Podkrepa Labor Confederation leader Konstantin Trenchev by Teodora Panayotova; place and date not given: "The Future Government Through the Eyes of the Trade Unions"]

[Text] [Panayotova] The political forces that you supported have come to power. How will this change affect the Podkrepa Labor Confederation's conduct?

[Trenchev] The 13 October elections undoubtedly altered, to a significant degree, the interrelations of the political scene. Undoubtedly this change will solve to a significant extent the problems that have been growing in society. It is also indisputable that from the day of its conception to the present day, Podkrepa has steadfastly pursued its course for a democratic society and focused on the people. I do not see any reasons for changing this course under the new conditions of the time. If the political forces have set themselves the task of establishing a similar model of society, then there ought to be no confrontation between them and us. Conflicts can possibly arise in connection with the way this aim is achieved. Podkrepa will oppose any mechanical measures that do not take into account society's interests. The politicians must know that it is desirable to seek the most painless variants in social relations. Every measure must be executed after wide social consensus has been reached, and this is not possible without the participation of the trade unions.

[Panayotova] In the Western European countries, the social democratic model, regulated by the state and the trade unions, is quite popular. Will the Podkrepa Labor Confederation support a similar model in Bulgaria?

[Trenchev] In its modern form, social democracy is something very different from the semi-Marxism of Dr. Dertliev. I believe that a more left-wing version of social democracy can only be implemented in stable, rich societies because there one can take from the rich to give to the poor. This is only possible if there is public wealth available. We do not have such wealth. First, we have to accumulate it and then redistribute it. Social democracy is not feasible for us at the moment for another reason—our society is not stratified normally. The bipolar social opposition still dominates—the nomenclatura—the people. The nomenclatura has achieved its wealth through power, and that wealth must be taken away and given back to those from whom it was taken. In this respect, Podkrepa is categorical. Moreover, the social democratic idea at this stage does not cultivate a spirit of militancy in the individual but prompts him to wait and see, behavior that is similar to a certain extent to the recent past.

[Panayotova] Do these anti-social democratic views sound rather anti-trade unionist? Nevertheless, the main role of the trade union is to achieve favorable social conditions for all its members, and the employer's job is to see whether he can satisfy this wish.

[Trenchev] If the trade union now desires, we will intensify the economic crisis "to the breaking point." For me, the country's interests are more important than purely trade union interests, and I cannot help but take into consideration the specific situation in Bulgaria. By wanting at all costs to be rich now, we are taking the risk of being poor for a long period of time. Realism forces us to adopt a more liberally-conservative model, so that the different social strata can identify themselves and the market economy can develop. This does not mean that we adopt liberal-conservatism forever. After we have stabilized economically, we will exert greater pressure for the redistribution of the social sector. Then, perhaps we will begin to resemble more a Western trade union.

Effect of Low Tax Receipts on 1991 Budget Viewed

AU0911185091 Sofia TRUD in Bulgarian 5 Nov 91 p 1

[Aleksandur Angelov article: "The State Purse Is Quite Threadbare"]

[Text] The budget, the sick child of the outgoing government, may finally make an appearance outside the watchful gaze of its financial nannies. The report on the cabinet's last session mentioned that it planned to discuss information on the fulfillment of the budget during the first nine months of 1991. According to the report, tax revenues amount to only 57.5 percent of the amount specified in the updated 1991 budget. So far, only 21.7 billion leva has been received of the 37.8 billion leva expected to be collected this year. The most alarming information concerns the collection of turnover tax. According to the plan, the revenue from this tax should reach 6.7 billion leva by the end of the year, but only 3 billion leva had been collected up to the end of September.

Only about half the planned revenue from excise duties and general income tax has been collected. Against this background, the revenue from profits tax appears outstanding. Companies have so far contributed 61 percent of the planned amount, while the banks have fulfilled almost 75 percent of their annual plan and are the only sector with a chance of completely fulfilling their plan.

Because of the low level of tax revenues, the budget is obliged to pursue new opportunities for stopping the numerous leaks. The Ministry of Finance has already offered for sale five issues of treasury bonds (not including today's), with a total value exceeding one

billion leva. The Bulgarian National Bank is so far successfully fulfilling its role as a protector of last resort with its temporary credits, which already exceed three billion leva. It is interesting to note that, according to the central bank's information bulletin, the interest accumulated on this sum during the last quarter alone amounts to 1.5 billion leva, and that the Ministry of Finance has failed to pay 516 million leva of this amount because of insufficient funds.

The financial experts put their hopes in the traditional rise in production and sales that usually happens during the last month of the year, but no one nurtures any hope that the losses incurred so far can be made up. Only one question remains: By how much will the 8.5 billion budget deficit approved by the Grand National Assembly be exceeded?

83 Percent of Unemployed Receive No Benefits

AU1111104191 Sofia POGLED in Bulgarian 4 Nov 91 p 3

[Nadya Ketibova report: "Graduates Pick Potatoes"]

[Text] Some 100 of the 650 employees of the Institute on Microelectronics recently were on a 15-day compulsory paid or unpaid annual leave. They utilized the leave for agricultural work.

The proposal to earn some money in this manner was posted on the Institute's wall. The choice was between participating in the agricultural work, thus earning money and storing some food for the winter, or taking paid annual leave. Those employees who already used their annual leave had no choice but to go hungry.

Those Institute employees with higher education, who decided to participate in the agricultural work, were used for picking potatoes and harvesting hay. Each of them signed an individual contract as to where and how he will work. The payment—60 leva for 5 tonnes of picked potatoes. In five hours, one could easily pick 2-2.5 tonnes. Naturally, 15-20 kg of them were for the worker's cellar. The Institute itself did not make any profit.

This is the situation at the Institute on Microelectronics. Similar compulsory annual leaves also were implemented in other enterprises. What could be done when the number of unemployed already reached 300,000?

This is the official figure supplied by the Sofia city Labor Exchange. However, is this a realistic figure? Does it include people such as the employees of the Institute on Microelectronics, who theoretically are employed, but in practice are forced to take paid or unpaid leave?

Experts from the Confederation of Independent Trade Unions in Bulgaria maintain that no one could point out the precise number of those who are unemployed and enjoy social benefits. According to them, their number is 500,000-530,000. In other words, 250,000 more than the official figure. Furthermore, according to their calculations, about 100,000 unemployed have not registered in the labor exchanges, and others have been forced to take annual leave. Well, perhaps no one includes those who have been elegantly forced to take annual leave in the total number of unemployed. In any case, the situation of those who have been unemployed for longer periods is more alarming. Those are people who after six months of searching for a job stop receiving any social benefits. This involves 83 percent of the unemployed in Bulgaria!

Simultaneously, the universities continue to admit students who study at the expenses of the state. The state pays, as it did for those who now pick potatoes. And afterward? The simplest mathematical calculation shows that Bulgaria's national economy could survive two years without "producing" new graduates. Perhaps during that period jobs will be found for those 320,000, some of whom are now picking potatoes.

While new graduates are produced and old graduates pick potatoes, the winter already knocks on our door.

Delegate to Vienna Armed Forces Talks Interviewed

AU1311090091 Sofia DUMA in Bulgarian 8 Nov 91 p 4

[Interview with Atanas Nastev, leader of Bulgarian delegation to the Vienna negotiations on the Reduction of Conventional Armed Forces and on Security and Confidence-Building Measures, by Petur Gornenski; place and date not given: "The Vienna Negotiations Are Facing the Next Step to the Consolidation of Security, But so Far Place Bulgaria in a Disadvantageous Position"]

[Text] [Gornenski] Mr. Nastev, which of the questions discussed at the negotiations of the 22 states is expected to be the main subject of the session now beginning?

[Nastev] I would like to point out that Bulgaria was the second country after Czechoslovakia to ratify the Treaty on the Limitation of Conventional Armed Forces in Europe that was signed in November 1990 by the leaders of 22 states. The negotiations of the 22 states are now focusing on the preparation for an agreement on reducing army personnel. This undoubtedly is an exceptionally important question for Bulgaria. In the first place, this importance is determined by the fact that, following the implementation of the conventional armed forces treaty that is expected for 1994, the balance of forces between Bulgaria and its NATO member-countries' neighbors will be drastically disrupted, to Bulgaria's disadvantage. The treaty was intended to restore the balance between the military blocs in the sphere of conventional military equipment, but not in the sphere of army personnel. The picture is quite different today, considering that military blocs no longer exist. It was the bloc approach, actually, that badly affected us. Everyone understands our position.

[Gornenski] Presumably, you have in mind the large military contingent that remains in the Turkish part of Thrace?

[Nastev] Yes, and I should also stress that they are the best equipped elite troops. In addition to this, I would like to add that the modernization of the Turkish Army continues at accelerated rates, which is not in contradiction with the treaty, as a matter of fact. Nevertheless, considering that the Warsaw Pact no longer exists, there are no serious arguments for the further preservation of such a large military potential in the area. We are just discussing the issues with our Turkish colleagues, and I would say that they are showing some understanding in this respect. We are holding talks on all other possible levels. Thus, for example, we submitted the problem to the attention of all delegations, the U.S. representatives included, at a recent Vienna seminar on military doctrines. I think that they understood our arguments. Nevertheless, it is certainly difficult to find a solution for the time being. Of course, we will insist on a solution for this important question. I am convinced that the problem concerns, in particular, the number of army personnel. At the negotiations of the 22 states, our delegation is trying to reach an agreement to prevent the existence of units whose personnel and equipment exceed the 90 percent level of their normal size, to avert any possibility of sudden aggression.

[Gornenski] Can you describe the new developments that characterize the negotiations of the 22 states?

[Nastev] In the first place, the new stand of the Soviet Union should be pointed out. The USSR consented to the exchange of advance information on army personnel. The lack of such consensus was the chief obstacle preventing the progress of negotiations in the past. It is only on the basis of such consensus that future structures for a mutually acceptable solution of the "army personnel" concept can be determined. Bulgaria was one of the first countries to submit data on its army personnel.

[Gornenski] Could you provide some details on the main aspects of the negotiations on security and confidence-building measures?

[Nastev] First, I should mention the discussions on control over the activation of non-active combat units and sub-units by means of mutual briefing and information exchange. The discussions are based on a proposal in whose drafting we participated as co-authors. The fundamental difference of opinion, in this respect, is related to the fact that small states, such as Switzerland, insist that under special circumstances, such as natural disasters, the activation of military units should be exempted from the aforementioned measures. It is evident that small states are likely to have difficulty in reporting promptly about their special measures in such cases.

Another major question that was discussed at the negotiations of the 38 states relates to the extent of information exchange on the size of armed forces, regarding the submission of additional technical and tactical data on the basic types of armed forces and technical equipment, and on the new types expected to be introduced in the future. The discussion shows that no essential differences exist in the stands of individual countries on this question, but the solution is not likely to be easy.

[Gornenski] In connection with the complicated situation in Yugoslavia, how do you evaluate the chances of perfecting the Vienna Conflict Prevention Center's work?

[Nastev] The development of events in Yugoslavia have revealed the shortcomings of the presently existing structures of European security and cooperation. As far as the Conflict Prevention Center is concerned, for the time being it is only assisting the negotiations of the 38 states in exchanging information and in controlling extraordinary military activities. The majority of states are convinced that the Center should be entrusted with functions enabling it to nip conflicts in the bud, thus preventing them from developing into war. Along with this, it would be appropriate to use other forms, such as fact-finding missions and observers' delegations, or other measures for the settlement of already existing controversies.

Last, but not least, I would like to point out the prevailing opinion at the Vienna negotiations, according to which an optimal result has almost been achieved in implementing common interests in the sphere of confidence-building and security. It is now necessary to consolidate the regional aspects of security. A great amount of work is awaiting us to overcome those currently existing imbalances that are to Bulgaria's disadvantage and that are likely to persist also in the future, following the implementation of the Conventional Arms Limitation Treaty.

Assembly Fails To Approve Referendum Question

LD1411031391 Prague Ceskoslovensky Rozhlas Radio Network in Czech 2130 GMT 13 Nov 91

[Excerpt] After a seven-hour debate at the 18th joint session of both chambers of the Federal Assembly today, the Assembly failed to approve any of the six questions put forward in regard to the proposal to hold a referendum.

The Federal Assembly approved a resolution on the existing results of the Citizens' Initiative for a Common State, in which it praises the resolve of those citizens who signed the petition expressing a desire to live in a common state and calling on the Czech and Slovak National Councils to speed up their discussions so that the results can be submitted to the Federal Assembly as soon as possible.

Interviewed by CSTK, National Assembly Speaker Alexander Dubcek said that the outcome of the vote corresponds to the fact that the talks concerning the referendum were too hasty and that no agreement was achieved. Views on the form of the question were not harmonized before the talks took place. Zdenek Jicinsky, first deputy chairman of the Federal Assembly, said that the outcome of the vote does not need to be regarded as a tragedy, but as one of the difficult steps in the transformation of the existing Federation into a genuine common state, in which both republics consider themselves equal partners. According to Jan Sokol, deputy chairman of the Chamber of Nations, the Federal Assembly can return at any time to the proposal on holding a referendum. [passage omitted]

SNR Drops Sovereignty Issue From Agenda

LD1411050391 Prague CSTK in English 2256 GMT 13 Nov 91

[Text] Bratislava Nov 13 (CSTK)—The Slovak National Council [SNR] (parliament) voted to drop a draft declaration of Slovak sovereignty from today's agenda. 63 of the 150 deputies had backed the proposal.

The sovereignty declaration is opposed by the government coalition, made up of the Civic Democratic Union-Public Against Violence (ODU-VPN), the Hungarian Independent Initiative (MNI) and the Democratic Party (DS). All deputies from the Movement for a Democratic Slovakia (HZDS) and the Slovak National Party (SNS), as well as some deputies from the Christian Democratic Movement (KDH), the Slovak Greens Party and the Democratic Left Party (SDL) signed the draft declaration.

The current 18th session of the Slovak parliament was interrupted last Friday when KDH Deputy Anton Hykisch proposed that the parliament adopt the declaration.

Briefing deputies on the latest failed round of talks between the Czech and Slovak parliament presidiums on Czechoslovakia's future state setup, Slovak parliament chairman Frantisek Miklosko said if an agreement continues to elude them, both sides are inclined to preserving the current state of the Czechoslovak Federation until after the next elections (scheduled for June 1990).

Slovak Premier Jan Carnogursky voted against the proposal to declare Slovakia's sovereignty. "Adoption of the declaration would render further talks between the presidiums impossible," he said.

Miklosko said the sovereignty of both the Czech and Slovak republics is anchored in the still-valid 1968 Czechoslovak Constitution. He said he is convinced the Slovak parliament will take only constitutional measures.

Pithart Meets Press on 11-12 Nov Federation Talks

LD1311194191 Prague Ceskoslovensky Rozhlas Radio Network in Czech 1700 GMT 13 Nov 91

[Report by correspondent Stanislav Kuzel on a news conference by Czech Prime Minister Petr Pithart with unidentified correspondents in Prague on 13 November]

[Text] Although the Czech Government session dealt with different problems today, it was clear to all journalists that Petr Pithart's news conference would deal with the latest Czech-Slovak talks on a constitutional setup in Papiernicka. The Czech prime minister's opening statement confirmed this feeling:

[Begin Pithart recording] Ladies and Gentlemen: The talks can only be described as a failure. I can see the Czech side's failure in its inability to identify the Slovak position precisely, despite all efforts. I myself have initiated some kind of an improvised poll. The Czech National Council Presidium handed to the Slovak National Council Presidium about six questions that, in our view, should have clearly identified the Slovak side's position. We received answers and counted how many were in favor and how many were against. However, attached to these answers were certain exceptions, and they altered the numbers of positive or negative replies. Thus, once again we might have perhaps worded the questions incorrectly; perhaps the Slovak side is either unwilling or incapable of clearly defining its position on a common state. I will wind up my opening speech by recalling the following: If you attended the news conference, then the Slovak state's definition, as worded by Ivan Carnogursky, Slovak National Council deputy chairman, should not have escaped your attention. He was asked, first of all, whether he favored a common or an independent state. He said he favored a common state. When asked about his conceptions of this state and how he perceives it, he said that a common state is a state comprising two independent states. [end recording]

After these pronouncements by Petr Pithart, the only thing to do was to ask him a question. What would the Czech Government have to do in the event that the

Federation breaks up, irrespective of the fact that the crisis plan had been drawn up long ago?

[Begin Pithart recording] It would have a lot to do. I think that it would take care of government's energy for many months to come. Yes, we have made provision for this eventuality. We are far from regarding it as a tragic eventuality, though. On the whole, in this context, I would like to avoid strong words. Such things do, simply, happen. What I would regard as tragic would be our possible inability to cope with this parting if it did not take place through civilized, acknowledged, and, if possible, constitutional forms. There are not many constitutional forms that are at our disposal. In this respect—and in other respects—our constitution is very ill-equipped. However, some forms do exist. I repeat that, if it is a parting that will become the issue, I regard as more important the ways in which it is implemented than the subject of it. In other words, the manner of the divorce is more important than the shape it will take or its name. This issue is not of great importance. One can imagine everything, starting with our counting everything up and splitting it all up, right up to a trade war. However, as for the rest of it, I leave this to your imagination. I will not make public my own visions of where all this could lead. [end recording]

Prime Minister Pithart also had to recall his previously used term semidetached house. He said that he intentionally avoided a more precise definition, although it could legally be defined as a confederation or a customs union, for example. However, he felt that confederation was an unstable form that could, in our case, result only in a total parting of Czechs and Slovaks.

Pithart Addresses Czech National Council 14 Nov

LD1411152791 Prague Ceskoslovensky Rozhlas Radio Network in Czech 1130 GMT 14 Nov 91

[Speech by Czech Prime Minister Petr Pithart to the Czech National Council in Prague on 14 November—recorded]

[Text] I presume that we shall not agree with the Slovak side on a federation in a form that would correspond to our present vision. The exhausting stalemate situation that we have had for many weeks now cannot last forever. There are two alternatives.

First: The stalemate situation will find its culmination independently of us, on its own, without our control—and also in an unconstitutional manner. To be precise: the disintegration of the common state would have consequences we most probably cannot envisage yet but that we would be sorry about.

Second: We can be present, we can influence the way things turn out in the end and, above all, the consequences. We shall not determine them, but we shall influence them. There are several possible scripts for the first alternative. The trigger can come in the form of a declaration of sovereignty by the Slovak Republic, or parliamentary budget debates, or the Slovak Republic's adoption of a constitution, and so on.

The stubborn adherence of both sides, or even one of them, to the present vision preserves the stalemate situation. I have already said what this would mean. Common sense should rule here above all, to allow the present status quo to be changed, to broaden our political imagination. By the way, the aim of my televised address was, above all, to give an impetus for this. If we do not do this, we do not have the necessary freedom of choice. Then there is nothing to choose from. If we do not do this, then the other side will not do so either. We all can see that it is not willing to do so. I would say that, in fact, it is not able to decide; that is, it is not able to take upon itself the responsibility connected with such a decision. Yesterday's session of the Slovak National Council clearly showed again how conflict-ridden this subject is for the Slovak representatives themselves.

We should not give in, in today's tense situation, to simplifications such as one, and one only, circumstance, or event, or politician is always to blame. For instance Trencianske Teplice, Vikarka, Hradecek, Papiernicka [venues of constitutional talks], State Security, or exiled Slovaks. All these are only parts of a larger whole, symptoms or circumstances. Let us not, therefore, look for a scapegoat, or several of them, although that may sound tempting. Some people, in what feels almost like a preelection atmosphere, will not be able to resist.

There are more important matters at stake than individual, half thought-out political steps or misconceptions. What should matter most to us is the objective existence of a field of force in which both republics pass each other, diverge, and move away from each other.

Let us, therefore, be ready for one of the options: the possibility of two states emerging. They can be two friendly states that cooperate while preserving human, family, economic, and cultural ties. Or they can be two unfriendly states that wage a trade war and also trip each other up in other ways. To bear this in mind is also the imperative of the present moment.

The Federal Government and Federal Assembly clearly showed their intention to join in the decision-making process. This role is indeed their due. After all, neither of the two National Councils has today any other mandate but that of the right of legislative initiative to seek the most acceptable form of federation and nothing else.

However, we know how vulnerable the work of the Federal Assembly is and how little suffices to block it. It is more than likely that this will happen. Unfortunately, this also applies to a chance to agree on a referendum question. This is the inescapable dilemma we face today—our mandate on the one hand, and our real responsibility on the other. The alternative to the situation hitherto can be either the split of the federation into two totally unconnected states, or to have two states with a looser connection, about which no one has yet a clear

idea. That is why it has remained nameless so far. Here I must again refer to my television address.

We cannot conceal, however, the fact that we stand divided. Our ties should, in any case, be closer than those with our other neighbors. I see as feasible only such a solution as has been agreed upon by both sides. One side alone cannot solve the problem. A unilateral declaration of sovereignty is not my idea of a solution.

If we reject unilateral steps and if we do not try for a joint solution, the only thing we can do is to preserve the current stalemate situation. A delay is an attractive option: We can leave the problems to people who will be elected after us. This is, however, risky because time is not now on the side of a conciliatory solution.

Our joint responsibility is so great that I hesitate to describe it in detail. At stake is the central European political space and the path that our post-totalitarian part of Europe will take. This unfortunate argument of ours—that is, democratization or federalization—was not the decisive factor on its own the last time—that is, in 1968. If nothing more, however, it facilitated the unfortunate normalization policy. In this case, too, that controversy does not only influence our fate. Therefore, today let us insist calmly but firmly on our ideas: on the values of a civil society based on political democracy, human rights, and a market economy, on tolerance of the members of all nations and nationalities, on the decision not to hesitate to take the road to Europe without losing our own identity in the process. Let us calmly insist on our own ideas and submit our decisionmaking to these very human values in constitutional legal talks. Here no compromise is possible, no "Democracy or else". The way in which we are faithful to these values will again influence more than destinies of the people on the territory of this state alone.

Klaus Accuses Pithart of Aiding Nation's Breakup

AU1311134691 Prague CSTK in English 2142 GMT 11 Nov 91

[Text] Prague Nov 11 (CSTK)— Czechoslovak Finance Minister Vaclav Klaus today called Czech Premier Petr Pithart "one of the initiators and main protagonists of the ...disintegration of (the Czechoslovak) state."

Klaus, the architect of Czechoslovakia's market economy reforms and the leader of the Civic Democratic Party (ODS), currently the strongest party in the Czech Republic, made the attack in a special commentary during the Czechoslovak Television evening news broadcast.

In a televised "personal message to Slovaks" on Saturday, Pithart said: "It is quite possible (for the Czechs and Slovaks) matter-of-factly and calmly to begin bargaining towards some kind of coexistence that is looser than today's state, towards something I call a semidetached house."

Klaus said Pithart's words can only be understood as "a surprising inclination towards a confederative (state) arrangement, without a mandate for it from the voters, from the government ..., from the parliament .... The argument that it was a 'personal' message ...does not hold water."

Rejecting Pithart's "semidetached house" as "unstable" and "not viable," Klaus said the Czechoslovak Federation "is no longer capable of ensuring a unified economic policy" throughout the country. He warned of a "fundamental threat to the economic reform and to the entire democratic transformation of our society."

Moravian Deputy on Tripartite Federation Proposal

AU1311144691 Bratislava NARODNA OBRODA in Slovak 12 Nov 91 p 3

[Interview with Kamil Prochazka, Movement for Self-Governing Democracy-Society for Moravia and Silesia deputy and member of the Czech National Council Presidium, by a "(g)"-signed reporter; place and date not given: "A Solid Tripartite Federation?"]

[Text] A new element in the negotiations between the Czech National Council [CNR] and Slovak National Council [SNR] presidia is the proposal drafted by 14 Moravian and Silesian political parties and movements that Kamil Prochazka, a Movement for Self-Governing Democracy-Society for Moravia and Silesia [HSD-SMS] deputy and a member of the CNR Presidium, wanted to present to both parliamentary delegations yesterday.

[NARODNA OBRODA] What is the substance of your proposal?

[Prochazka] Our proposal will be a new element, not only for the Czech side, but also for the Slovak side. The substance of this proposal is that we reject the dualist principle for the federation's structure because it has proven unreliable. First, it has no parallel in the world, and second, this system can no longer function in a democracy. If we take these facts together, it is obvious that the state must have at least three entities to be solid. The CSFR seems to us to be eminently suitable for this system, because by dividing it into three entities, it would be divided into three virtually equal units in terms of territory and the size of the population. This is an ideal situation. In this structure, we would have to take into consideration the demands and position that the Slovak Republic would attain by the end of this century and the things that would fulfill its population's expectations. These expectations could be fulfilled in a tripartite federation with certain confederative elements.

[NARODNA OBRODA] What do you mean by confederative elements?

[Prochazka] First of all, this is the element of ratification by the individual entities' assemblies. Confederative elements would also crop up in foreign policy issues.

[NARODNA OBRODA] Do you think that your proposal will be accepted by both sides?

[Prochazka] This is a matter for further discussion. We want to convince both sides, mainly the Slovak side, of the advantageousness of this proposal. When we consider the fact that the bilateral negotiations have ended up in a blind alley after 15 months and many people are talking about the danger of the joint state's disintegration, which I personally do not agree with, it is necessary to come up with something new. I think that this Moravian-Silesian proposal, which proceeds from our election program, is a way out of this blind alley.

[NARODNA OBRODA] What kind of support does it have among the population of Moravia and Silesia?

[Prochazka] It has great support, despite the fact that the view held by Moravians is mostly connected with the idea of a joint state with the proviso that Slovakia should have a special statute of autonomy in jurisdiction. This model would not be exactly symmetrical, but would be slightly asymmetrical in Slovakia's favor.

[NARODNA OBRODA] When do you intend to present your proposal in Papiernicka?

[Prochazka] As soon as possible.

[NARODNA OBRODA] How do you expect the individual members of the SNR Presidium to react?

[Prochazka] Mostly with mixed feelings. Every new idea needs time.

[NARODNA OBRODA] Who would eventually support it?

[Prochazka] I think the Christian Democratic Union or, at least, the Czechoslovak People's Party would support it, but not the Christian Democratic Party. Perhaps the Democratic Left and the Communist Party of Bohemia and Moravia would support it. Our proposal—and everyone should realize this—is supported by 14 political parties and movements in Moravia and Silesia.

[The same newspaper on the same day on pages 1 and 2, under the headline "Everyone Is Speaking His Own Language," carries a 1,200-word "(NO-jg, am, CSTK)"-signed report on the talks between the CNR and SNR presidia on the constitutional and legal arrangement held in Casta-Papiernicka on 11 November. According to the report, "a five-member delegation from the Moravian-Silesian Council asked to be received at the talks between the CNR and SNR presidia. It intended to submit its own proposal for the constitutional and legal arrangement—which would take a third entity, Moravia and Silesia, into consideration—to the third meeting between the presidia held in the early evening. Only six CNR members supported their reception at the talks; the Slovak side had no objections. In the end, they were only received by the chairpersons of both National Councils." The report continues: "'Since no one listened to us here, we will appeal to the guarantors of the Saint Germain Agreement,' said the delegation's spokesman, HSD-SMS Deputy Chairman L. Tuzinsky. Their demands did not even meet with understanding among the CNR deputies elected in Moravia and Silesia. For example, from D. Buresova and J. Kasala from the CNR Presidium or even from P. Pithart. 'If Moravia and Silesia are not accepted in the state forming process, this issue will become another focal point of tension,' said L. Tuzinsky."]

Carnogursky on KDH, Says Coalition 'Should Hold'

AU1311163791 Bratislava VEREJNOST in Slovak 11 Nov 91 p 1

[Interview with Slovak Prime Minister Jan Carnogursky by Ivan Rajecky; place and date not given: "The Coalition Should Hold"]

[Text] [Rajecky] Prime Minister, in your speech at the Christian Democratic Movement [KDH] congress you said, among other things, that under the current liberal situation, we are encountering new forms of attacks against Christianity. Did you have specific cases in mind?

[Carnogursky] Such attacks are attacks against our cultural and national identity. KULTURNY ZIVOT published a very offensive article, "The Last Supper." Our deputies in the Slovak National Council proposed a bill to prevent the propagation of pornography. It is not only Christianity that we are trying to protect. Recently, I wrote a letter to the Slovak Republic Prosecutor General and demanded an investigation into publications that carry anti-Semitic allusions.

[Rajecky] You also said that there is a new lure for our culture and our public and economic life—exaggerated liberalism. Could you give us some examples?

[Carnogursky] For instance, liberalism allows texts that are offensive and silly to be published alongside valuable texts, while attaching the same seriousness to both. In the economy, liberalism does not distinguish dirty money from clean money; it recognizes only its amount. And so forth.

[Rajecky] In your speeches, you stress that the coalition, that is, your government, should also hold until the elections. However, disputes are constantly growing in number. For example, compared with the Civic Democratic Union-Public Against Violence, your movement has differences of opinion on many basic issues.

[Carnogursky] The split in the Public Against Violence movement has jeopardized the Slovak Government's ability to act. One of the manifestations of this has been the overtly hostile gestures that the members of the government belonging to the same movement expressed one toward another. The policy of ignoring reality and rational arguments when pushing for political goals is another example. Former Prime Minister V. Meciar,

simply put, incorrectly estimated his political capabilities and also those of his nascent movement. After the Public Against Violence movement's split, it became obvious that the Christian Democratic Movement was the strongest group of deputies in the Slovak National Council. I became prime minister. We have bought constructive and pragmatic elements into the discussions of the government. While we were talking about early elections during the first days of the new government, today it is generally accepted that the elections will be held within the regular timeframe. The coalition should hold. Differences of opinion do not mean disintegration.

[Rajecky] A third element—the Federal Government—has entered the constitutional talks between the Czech and the Slovak National Councils. What do you think about the Federal Government's effort to "energetically enter the talks?"

[Carnogursky] The Federal Government's decision is not based on any clear concept. What tools and means does it have to enter the talks? The talks are a matter belonging to the state power, and legislatures are the bearers of state power. Deputies will vote for or against the decisions made. Yet, there are no limits imposed on initiative....

Federal Assembly Nominates Constitutional Court

AU1211093891 Prague LIDOVE NOVINY in Czech 8 Nov 91 pp 1, 16

["nel, jik"-signed report: "The Federal Assembly's Candidates; Minister Abolished, But Not the Ministry; Another Step Taken Toward Establishing the Constitutional Court"]

[Text] Five names emerged from the first round of yesterday's elections of the Federal Assembly's candidates for members of the CSFR Constitutional Court. The Assembly recommended to the president of the republic: Vlastimil Sevcik (Federal Assembly deputy for the Civic Movement), Vladimir Cermak from the Czech Republic, Marian Posluch (Federal Assembly deputy for the Civic Democratic Union—Public Against Violence), Jan Voscek (Federal Assembly deputy for the Christian Democratic Movement, and Peter Kresak from the Slovak Republic. These five men received more than 50 percent of votes in both chambers of the Federal Assembly.

Three more candidates were voted on in the second round, from which Zdenek Kessler (Federal Assembly deputy for the Civic Democratic Party) and Ernest Valko (Federal Assembly deputy for the Civic Democratic Union—Public Against Violence) emerged with the required majority of votes. Frantisek Houska (Federal Assembly deputy for the Civic Democratic Party) and Vaclav Pavlicek advanced to the third round. The election was preceded by an attempt by Deputy L. Roman (Slovak National Party) to require that the candidates be elected by a three-fifths majority or by the majority of all elected deputies in both the Chamber of Nations and the People's Chamber. The deputies did not endorse his standpoint, and the candidates were elected by a simple majority.

The Assembly passed with only minor changes the bill on the organization of the Constitutional Court and on proceedings before it. It also approved a motion by Deputy Bohuslav Hubalek (independent) that his proposal to pass a law on the period of bondage [doba nesvobody—reference to period of communism] be included in the agenda of the current Federal Assembly meeting.

The discussions on the other two items on the agenda were more complicated—the proposal by Deputy A. Blazek (Civic Democratic Alliance) that the Assembly pass a resolution condemning manifestations of intolerance, racism, and anti-Semitism and the government's proposal to abolish the Federal Ministry for Strategic Planning. As far as the resolution is concerned, Deputy P. Kanis (Party of the Democratic Left) came up with the opinion that the document should condemn also all manifestations of political, religious, and national intolerance. Deputy R. Hrusinsky (independent) noted that the draft resolution, in the form in which it was submitted by the Social and Cultural Affairs Committees already contains all this and that no reason therefore exists to change the draft. The two chambers ultimately adopted the draft but, before the vote was taken, most deputies for the Movement for a Democratic Slovakia, the Slovak National Party, and the Party of the Democratic Left left the hall.

The government-sponsored draft of a constitutional law abolishing the Ministry for Strategic Planning did not pass in the chambers, which accounts for a somewhat peculiar situation. P. Hoffmann, who stood at the head of this ministry, has already been recalled from his post and has become deputy prime minister. The Ministry's sphere of responsibility has also been divided, for all practical purposes. By the Assembly's decision, the ministry itself continues to exist as an institution (owing, among other things, to the votes of deputies representing Slovak opposition parties, who voted "pro-federally" this time). It is, therefore, to be expected that Deputy M. Zeman (Civic Movement) will once again submit, within the deadline set by law, the bill on strategic planning that the deputies had turned down three times already.

Deputy J. Sokol (Civic Movement) then substantiated a proposal by the Civic Movement Club of Deputies that the voting system in the Chamber of Nations be changed in such a way that a simple majority of deputies present suffice to pass a law (with the exception of constitutional laws), as is also the case in the People's Chamber. The ban on imposing the majority's will on the minority would, naturally, be retained. After a long debate and following consultations in the clubs of deputies, the chambers did not approve this measure.

The Federal Assembly meeting continues today with a CSFR Government report analyzing the development of the Czechoslovak economy.

[Bratislava PRAVDA in Slovak on 8 November on pages 1 and 2 carries a 900-word Alena Borovickova report on the Federal Assembly session. The report adds that, at a

separate meeting, the People's Chamber elected new members of the Federal Assembly Presidium. Vojtech Deyl (independent) will replace Michael Kocab and Oszkar Vilagy (Civic Democratic Union-Public Against Violence, Hungarian Independent Initiative) will replace Jozef Baksay. The third vacated position in the Federal Assembly Presidium, that of Vasil Mohorita (Communist Party of Bohemia and Moravia), was not filled because the candidate, Jiri Kincl (Communist Party of Bohemia and Moravia), did not receive the necessary number of votes. A Prague HOSPODARSKE NOVINY in Czech report on the session, published on 8 November on pages 1 and 2, explains the procedure for selecting members of the CSFR Constitutional Court. Apart from the eight candidates proposed by the Federal Assembly, the Czech National Council and the Slovak National Council, too, will propose eight candidates each. From these 24 candidates, the president will then select the 12 members of the Constitutional Court, 6 of them from the Czech Republic and 6 from the Slovak Republic.]

Ministers Present Economic Analysis to Assembly

AU1211120091 Prague CSTK in English 1836 GMT 8 Nov 91

[Text] Prague Nov 8 (CSTK)—Czechoslovak Minister of Labor and Social Affairs Petr Miller today told CSTK he would not be frightened by an estimated one million unemployment by the end of 1992 provided the economic development will be as envisioned by economics ministers.

Miller was referring to today's debate in the federal parliament on a Federal Government analysis of the economic development in the first six months of 1991 and predictions for the next year.

Miller expects the end of next February and the beginning of March to be a critical period with an estimated unemployment rate of 11 to 12 percent of the country's labor force (about eight million people). The unemployment rate is now six percent, i.e. about 450,000 people.

Miller said Slovakia's unemployment of 202,225 is twice or three times higher than in the Czech Republic where it totals 244,017. Slovakia has a population of 5.3 million and the Czech Republic 10.3 million.

Miller said there are more women seeking jobs than men. Thirty percent of the jobless are university graduates and 50 percent non- college graduates. Nine percent are invalids. Miller described a 20-percent unemployment of Romanies as the biggest tragedy.

[Bratislava PRAVDA in Slovak on 9 November on pages 1 and 2, under the headline "The Forecast: 700,000 Unemployed," carries an 800-word Alena Borovickova article on the same Federal Assembly session. According to the article, Deputy Prime Minister Pavol Hoffmann presented the second part of the government's economic report. The article states that the government "assumes that, on the basis of current trends, unemployment will not exceed a level of 700,000 at the end of this year." The deputy prime minister also discussed economic development expectations. He said that the monthly volume of industrial output will hover at around 25 percent of the average monthly volume in 1989; this figure should be 30 percent in the construction industry and 15 percent in agriculture.

The article also mentions a statement made to the Federal Assembly by Economy Minister Vladimir Dlouhy. According to Borovickova, Dlouhy considers the start of economic reform to be "successful." However, as far as agriculture is concerned, an analysis indicates "overall losses for enterprises in this sphere of 4.1 billion korunas by the end of the year."]

Jelinek Admits Political Motives in Privatization

AU1411125691 Prague RUDE PRAVO in Czech 11 Nov 91 p 2

[Radek Wanke report: "T. Jezek's Adviser Admits: Coupon Privatization Is Politically Motivated"]

[Text] Prague— "Coupon privatization is politically motivated," F. Jelinek, Czech Privatization Minister Jezek's adviser, admitted at a conference on investments, enterprise, and trade in Czechoslovakia that was organized by the London-based Royal Institute for International Relations and the British daily THE FINANCIAL TIMES in Prague last week.

F. Jelinek was responding to the view of participants in the conference—representatives of 100 banks and financial institutes from all over the world—that coupon privatization makes no economic sense. "In the difficult period of Czechoslovakia's transition to market principles, we have to offer something to the citizens. This is why even good companies must be privatized, at least partially, according to the coupon method," he explained.

F. Jelinek gave as an example the Prazdroj Brewery in Plzen. "In a few days, I will go to Plzen to explain to the brewery's management that even this attractive company must reckon with being privatized by means of coupons," he declared.

According to F. Jelinek, political aspects also determined the choice of foreign partners for the Mlada Boleslav automobile plant (Volkswagen) and for [the detergent manufacturer] Rakona (U.S. Procter and Gamble company). It was a gesture designed to attract foreign investors. As far as foreign capital's participation in the process of large-scale privatization is concerned, the Ministry for the Privatization and Administration of National Property expects foreign participation in 300 to 400 privatization projects.

Tripartite Council Agrees on Wage Deregulation

AU1411133391 Prague LIDOVE NOVINY in Czech 13 Nov 91 p 2

[CSTK report: "Wages Deregulated?"]

[Text] The most important changes to the bill on regulatory levies for 1992 that were agreed upon at yesterday's session of the CSFR Council of Economic and Social Accord in Prague were the application of wage regulation in enterprises with more than 150 employees—but only in instances when the set limit on wage increases is exceeded by more than 5 percent—and the exemption from wage regulation of privatized enterprises.

Trade unionists and employers assumed a negative stand on the bill as presented by Labor Minister Petr Miller. They asserted that, under current conditions, there are no reasons for wages to be regulated, as this would only slow down the evolution of market relations. A revised bill will be submitted to the tripartite talks on 3 December 1991, along with a bill that changes and amends the Law on Employment and the Labor Code and a bill on the abolition of labor categories. This bill was recommended for discussion by the Federal Government. It was also recommended that the Law on Contribution During Illness [zakon o prispevku v nemoci] become effective only on 1 January 1993. The purpose of introducing this contribution is to transfer to the employer the burden of material provision for the first 14 calender days of work disability.

The trade unionists criticized the document, "Analysis of the Development of the Economy in the First Half of 1991 and Forecast of Its Development in 1992," including the draft principles of economic policy for this period. The Federal Government's strategy, which is aimed at "belt-tightening," is unacceptable for them. One cannot give consent to a further decline of real wages and to the growth of unemployment to 1 million people, they said.

Slovak Deputies Discuss Privatization, Crime

AU1311152291 Bratislava PRAVDA in Slovak 8 Nov 91 pp 1-2

[Stefan Hrcka report: "The Crime Rate Climbs Sharply"]

[Text] Bratislava—The deputies talked both openly and behind closed doors during the fourth day of the 18th Slovak National Council session yesterday. First, they concluded in public the interrupted debate on the government Slovak National Council bill that changes and supplements Slovak National Council Law 474/1990 and Slovak National Council Law 253/1991. This bill was actually an amendment to the Slovak National Council procedural laws on the federal laws on the small- and large-scale privatizations.

In the discussion of this amendment, Deputy Juraj Plesnik (Party of Democratic Left) expressed a suspicion that the controversies in the government regarding privatization issues are much more serious than publicly admitted. In the next speech, Viliam Oberhauser, Slovak Republic minister of forestry and water economy (Christian Democratic Movement) rejected the suggestion that the views of the Christian Democratic Movement ministers on privatization contradict the opinions of the Slovak Republic Ministry for the Administration and Privatization of National Property: "It was not at all true, and the Christian Democratic Movement ministers never spoke like that" Oberhauser said. When responding to these speeches, Privatization Minister Ivan Miklos (Civic Democratic Union—Public Against Violence party) said: "It is not a secret ... that controversies on privatization exist between some Christian Democratic Movement ministers and the government concept that was also adopted by the government." After procedural confusion during the vote, the deputies accepted even the following amendment: "The founder is obliged to report in the daily press an enterprise's submission of a privatization project. He must provide data on the enterprise to those interested in drafting a rival privatization project, to the extent of the project's legal structure." Eventually, the deputies passed the bill subject to the adopted changes.

The report on the current situation in the Slovak Republic Office of the Prosecutor and the crime-related developments in the Slovak Republic was also discussed publicly. Slovak Republic Prosecutor General Vojtech Bacho, who read it, observed that in the first through third quarters of the year, 61,000 crimes were recorded. This represents 45 percent more crimes than in the period in 1990. Property crimes represent up to 68 percent of the total. During all of last year, 68 murders were recorded. As of 27 October this year, there are 97 murders on record. The number of robberies also increased substantially, and they have become a part of so-called street crime. There have also been burglaries with the use of brutal force in preselected apartments. Some deputies proposed in the debate that prosecution be initiated more frequently. Vladimir Ondrus (Civic Democratic Union—Public Against Violence party), for instance, moved that persons be prosecuted who violate the Law on Assembly by disturbing demonstrations. Helena Rozinajova (Christian Democratic Movement) asked why the publication of the story (Perhaps) the Last Supper in KULTURNY ZIVOT is not liable to prosecution. Eduard Barany (Party of Democratic Left) criticized the deputies for a bad habit of initiating prosecution from the legislative platform, which puts political pressure on the prosecutor's office. He argued that the deputies should lodge legal complaints as other citizens do. In the conclusion to the debate,, Lubomir Fogas (Party of the Democratic Left) again pointed out that, on 31 December 1991, the validity of all regulations in accord with the Charter of Basic Rights and Freedoms will expire. He asked the Slovak Republic prosecutor general to inform the Slovak National Council as soon as possible how many and which regulations will expire.

Next, the deputies discussed whether the debate on the report on operations of the Slovak Republic Ministry of the Interior since 17 November 1989 should be open or behind closed doors. The discussion was ended by Slovak National Council Chairman Frantisek Miklosko,

as he asked reporters to leave the press gallery. The remainder of the discussion was closed. Among the agenda items was the report by the Slovak National Council Screening Commission. According to our sources close to the coalition deputies, four to six deputies were positively screened in accordance with the Slovak Council resolution on screening of Slovak National Council deputies. According to the "harsher" screening law, about 17 deputies would have been considered to have been State Security agents. Of course, the "accused" deputies can defend themselves and prove that their registration in the State Security files is mistaken. The Slovak National Council session continues today.

Havel Reassures Residents on Sudeten Land Issue

AU1311152591 Prague RUDE PRAVO in Czech 8 Nov p 2

[Unattributed report: The Government Does Not Intend To Compensate Sudeten Germans"]

[Text] Domazlice—The Czechoslovak Government does not intend to make restitution of the Sudeten Germans' property. The German citizens would have to file restitution claims with the Czechoslovak Government. It cannot honor these claims, however, because it would be contrary to the law, Vaclav Havel, president of the Czech and Slovak Federal Republic, said in response to questions by citizens during his 7 November visit to the Domazlice region.

Regarding the person he envisions to be the next president, he said that he would not name anyone so as not to cause problems, but his secret dream is that a woman will head the state for the first time in history.

In regard to 17 November 1989, he said that more than 30 people are being prosecuted. "The parliamentary commission investigation does not clearly indicate who made the political decision," Havel said. Asked why the Communist Party was not banned, he said, that there is no legal basis for such a ban. The level of responsibility for the totalitarian system and its practice varies from person to person. Moreover, seven to eight million members passed through the Communist Party of Czechoslovakia since 1948, and the guilt must be, according to Havel, judged individually.

Havel believes that Czechoslovakia will not disintegrate. He would consider disintegration to be a personal defeat. Furthermore, he believes that one cannot lump together all Slovak politicians and claim that they want to provoke the Czech side.

Foreign Banks Grant Credits for Telecommunications

LD1411021891 Prague CSTK in English 2216 GMT 13 Nov 91

[Text] Bratislava Nov 13 (CSTK)—Foreign banks will grant credits worth $350 million to Czechoslovakia for the modernisation of its telecommunications system, Slovak Deputy Finance Minister Jozef Salak told CSTK today.

Today representatives of the International Bank for Reconstruction and Development (IBRD), the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (BERD) discussed with the Slovak Finance Ministry possible Slovak Government guarantees for the credits.

As the credits are designed for the whole country, the banks are conducting talks primarily with the Federal Government and seeking its guarantees. Czechoslovak Finance Minister Vaclav Klaus has promised the guarantees but linked them to guarantees by the governments of Czechoslovakia's two constituent republics, Czech and Slovak.

Salak noted that bringing Czechoslovakia's telecommunications up to date is a prerequisite for the establishment of a modern banking system.

Calfa Expects EC Agreement Mid-December

LD1211223291 Prague CSTK in English 1820 GMT 12 Nov 91

[Text] Prague Nov 12 (CSTK)—Czechoslovakia will probably initial an association agreement with the European Community (EC) by the end of this week, Czechoslovak Premier Marian Calfa told CSTK today.

The agreement will then be signed on December 15 or 16, Calfa said. Hungary and Poland will also sign association agreements at the same time.

Calfa recalled that the head of the Czechoslovak delegation to the talks in Brussels, Zdenko Pirek, last week submitted a Slovak request that the agreement contain a preamble specifying that Czechoslovakia's constituent republics would participate in fulfilling the agreement.

The Czechoslovak Federation is made up of the Czech and Slovak Republics.

However, the EC turned down the request. "As far as Czechoslovak-EC relations are concerned, the (EC) will always turn to the Federal Government", Calfa said.

The Slovak request was unacceptable for certain EC member countries that are compound states, he noted.

Calfa said the Czechoslovak Government would accept an EC proposal that it make a verbal declaration during next month's signing that Czechoslovakia is a compound state and that it counts on both republics participating in the fulfillment of the agreement.

But he warned that the signing of the agreement might be jeopardised by domestic wrangling over the country's state setup. A postponement "would get us a great step back", Calfa said.

He called this an "entirely real" possibility following yesterday's joint session of the Czech and Slovak parliament presidiums in Casta-Papiernicka near Bratislava.

At the two-day session, which ends today, the presidiums are trying to reach agreement on an accord to be signed between the two republics.

Calfa said, "it is impossible for 20 people on either side to decide on a break-up of the state. They have in fact no popular mandate for this. In the end, in my view, a referendum will settle the question", he concluded, referring to proposals for a plebiscite to be held to decide the country's future.

Moscow Claim to COMECON Property Protested

LD0811214491 Prague CSTK in English 1817 GMT 8 Nov 91

[Text] Prague Nov 8 (CSTK)—Czechoslovakia's Federal Government protested today to Soviet officials against statements by the Moscow City Council claiming control over future use of buildings in Moscow owned by the now-defunct Council for Mutual Economic Assistance (COMECON).

The Czechoslovak Foreign Ministry told CSTK a protest note handed to Soviet diplomats in Prague on behalf of the Federal Government said the property is jointly-owned by the former COMECON member states, and that only they can decide over its use.

The note called for talks on the property to continue.

The Moscow City Council had earlier informed an international commission deciding what to do with the buildings that after November 15 former COMECON member states will not have access to them, and that the Moscow city government will itself determine how they will be used.

COMECON, which ceased to exist in June of this year, coordinated the economies of former Soviet-bloc countries.

Pirek Views Western Aid for Exports to USSR

AU1311145191 Bratislava NARODNA OBRODA in Slovak 12 Nov 91 p 5

[Interview with Zdenko Pirek, deputy minister of foreign affairs, by Alexander Polakovic; place and date not given: "We Must Not Waste Our Chance"]

[Excerpt] [passage omitted] [Polakovic] What progress has been made in the discussion about Dienstbier's plan, a plan that would make it possible to finance the export of our products to the USSR with Western assistance?

[Pirek] The EC Commission is preparing a specific mechanism that would include our country in the assistance scheme financed by them. As far as our country is concerned, we would export mostly agricultural surplus and medicines. The commission has approved 500 million European Currency Units [ECU] for this assistance scheme. The first part of the scheme has been put into practice. It is primarily another phase, comprising 1.25 billion ECU, that will apply to our country. Of this amount, about half should apply to Poland, Hungary, and the CSFR. Actually, it will be a credit granted to the USSR, and it will depend on ourselves whether we succeed in competing with the Hungarians and Poles. It will be the Soviet republics who will decide on the imports, and this is why we must not ease up on quality and advantageous terms of delivery. We are happy that this idea has gone forward, since it originated in our country.

[Polakovic] Its concept is wider, however.

[Pirek] Yes, we would also like to include shoes, garments, bed linen, sanitary products, and means of transportation. There is a real chance that even our services may be used in the distribution of this assistance. For example, the European communities provide technical assistance amounting to 400 million ECU to the USSR. Under this assistance scheme, experts needed for the implementation of economic reform will be sent. When I was in the USSR, I suggested to them that we could also send our experts because we believe that, in view of the starting conditions under which the reform is implemented, our experience in this area is more relevant. We have also received favorable reports from Japan that Japan could include our country in the scheme of economic assistance to the Soviet Union financed by Japan.

[Polakovic] In view of the incomplete structural policy in our country, there is a risk that we would be unable to fulfill these quotas, particularly with respect to agricultural products....

[Pirek] I agree, particularly as far as the next year is concerned. The elimination of mass production in agriculture could really jeopardize our possibilities in this area to our own detriment. [passage omitted]

Dienstbier on Role of NATO in Central Europe

AU1311151591 Prague LIDOVE NOVINY in Czech 8 Nov 91 p 5

[Unattributed report on an interview with Foreign Minister Jiri Dienstbier by an unidentified correspondent of DER TAGESSPIEGEL in Rome on 7 November: "A Key Element of Security"]

[Text] Berlin—On the day when the NATO summit began to discuss the relationship between the alliance and East Europe, Foreign Minister Jiri Dienstbier expressed his support for the creation of an extensive, thorough, flexible, and uncomplicated system of political ties between Czechoslovakia and NATO.

The minister emphasized in the interview for the Berlin paper DER TAGESSPIEGEL that such a system would in the CSFR reassure the feeling of certainty that the situation that so fundamentally affected the fate of several generations of Czechs and Slovaks will never be repeated. "If such a system of relations can be described as 'associating,' then we say that we are interested in 'associating,' Dienstbier said.

According to him, it is only natural that since a dictatorship of soldiers or apparatchiks still threatens such a vast territory as the Soviet Union, the small neighbors of this large country are more concerned with their own safety than ever before. The failed coup may have definitely eliminated any possibility of a Soviet intervention in East Europe, but the uncontrollable wave of declarations of independence east of the Czechoslovak borders have increased the danger of conflict to a more than negligible degree. These conflicts of "lesser severity" could lead to unexpected military clashes and interventions, the control, restriction, and confinement of which could be extremely difficult if not impossible.

"Nobody can hold it against us if we plan for all possibilities. One of them is the prospect that a zone of unstable states will form along our border, with their internal problems reflected in their foreign policies. We are considering all possible alternatives, and that includes the formation of a crisis section that would almost hermetically seal off Central Europe by a chain of existing or potential conflicts. Under these circumstances, it is in the interest of Europe to stabilize murky security situations in its midst through an institution that has proved its effectiveness and viability. By no means do we insist that this role be played by NATO. The problem is that no other effective and viable organization exists for this purpose. This is why we consider this alliance so important."

Dienstbier also pointed out that Czechoslovakia welcomed the initiative by the U.S. and German foreign ministers for the creation of a council for North Atlantic cooperation, because it matches his ideas perfectly. "We consider the Baker and Genscher proposal to be the clearest expression so far of NATO becoming more "political" and reformed, a step by the organization toward overcoming its own limitations. The summit in Rome, however, does not have to accept this proposal. Of course, we would respect such an outcome. After all, we cannot do anything else. We would not, however, keep silent about the alliance missing an important opportunity to find a new direction for its activity in European politics."

Dienstbier then pointed out that the security of Czechoslovakia can be subject in the near future to nonmilitary dangers. "A total loss of energy supplies from the Soviet Union, a massive uncontrolled wave of emigration that would roll west over Czechoslovak territory, or an ecological disaster of the Chernobyl type, all these are dangers to security that the North Atlantic Alliance is not ready to overcome. That is the main reason why, although we view NATO as a key element of the developing European security structure, we do not see it as its only institutional member.

Military Talks With SFRY Focus on Border Security

LD1411104291 Budapest MTI in English 0914 GMT 14 Nov 91

[Text] Budapest, November 14 (MTI)—"The Hungarian-Yugoslavian military talks, held in Subotica on Tuesday, yielded the agreement that, in order to guarantee the security of the concerned regions, it was necessary to set up a neutral air corridor along the common border. Decision on the matter is expected in the next few days," Brigadier General Bela Balogh, chief of main air defence and flying division who headed the Hungarian delegation to the Subotica meeting, says in an interview with Thursday's "NEPSZABADSAG".

The discussion was aimed at taking a joint survey over the underlying causes of tensions in airspace over the border, and looking into ways of eliminating them.

"Given the shortness of time, we focussed attention on the dissolution of tensions and tried to thoroughly analyse the recent events," General Balogh says. "With regard to the Barcs incident, the Yugoslavian side said it was unable to conduct an in-depth examination by itself, but was ready to take part in the work of the joint committee to be set up.

As reported, on the evening of October 27, Sunday, a military aircraft flying from the direction of Yugoslavia penetrated into Hungarian airspace and dropped bomb casettes on the South Hungarian village of Barcs.

Bela Balogh stresses that the Belgrade communique from the meeting, which quotes "the Croatian armed revolt" as the cause behind the tense relationship between the armies of the two countries, fails to reflect the essence and meaning of the talks.

Although the head of the Yugoslavian delegation gave a general briefing about the situation in the country, he did not use the quoted expression. There was no question about the competence of the Yugoslavian People's Army in supervising the neighbouring airspace and controlling military flights. Views were split on several questions, and showed a major difference over two. Of the 19 airspace violations registered by Hungary, the Yugoslavian side admitted only three, while the Hungarian delegation rejected the assumption that the Republic of Hungary would be holding any responsibility in the affair of the AN-2 planes that had allegedly penetrated into Yugoslavian airspace. Lieutenant General Jurjevic stressed throughout the talks that they would do everything possible for the airspace violations to be discontinued, Bela Balogh says.

At the initiative of the Hungarian delegation, agreement was reached on the setting up of a neutral air corridor along the common border, exempt from militry flights. The necessary measures are to be adopted in the near future.

Goncz Rejects Bringing Forward Election Date

LD1411054991 Budapest Kossuth Radio Network in Hungarian 2300 GMT 13 Nov 91

[Text] Arpad Goncz does not consider it time for elections to be brought forward in Hungary. He is certain that under the present circumstances not a single party is eager to obtain office. The president of the republic, in an interview with Danish television, emphasized that the population does not feel that the laws enacted by the National Assembly are changing the life of the people. As he points out, this takes time. Therefore, the first governments after the changes must overcome any signs of dissatisfaction.

Speaking about East European nationalist and anti-Semitic trends, Arpad Goncz said that in regard to Poland, Czechoslovakia, and Hungary, anti-Semitism is seen the least in Hungary.

Oil Company Reports USSR Oil Deliveries Met

LD1311184791 Budapest MTI in English 1649 GMT 13 Nov 91

[Text] Budapest, November 13 (MTI)—The Soviet side has met all their oil delivery contractual obligations to date, said a Fenyeslitke (east Hungary) pumping station offical of the Hungarian Oil Industry Corporation. The receiving station near the Hungarian-Soviet border has received not only the agreed upon monthly amount of oil through the Friendship II pipe-line, but additional, advance deliveries from the Soviet Union. Under the contract, the Soviet Union is to deliver 387,000 tons of oil in November, half of which had arrived by Wednesday. Probably several thousand additional tons will be delivered this month.

Oil, Gas Trust Analyzes Resources, Import Supply

AU1311092091 Budapest MAGYAR NEMZET in Hungarian 9 Nov 91 p 9

["T.P."-signed report: "Safe Provisions"]

[Text] We did not experience an Indian summer this year. It was consumed by early October frosts that promised us a hard winter. How will the former National Oil and Gas Industry Trust (which became a joint stock company last month) be able to guarantee adequate crude oil and natural gas supplies for the country?

It is common knowledge that our domestic production only covers a small proportion of our needs. Due to the Yugoslav crisis, oil cannot be transported through the Adria crude oil pipeline. Consequently, oil can only arrive through the Soviet Friendship pipeline at the moment. To be exact, oil could also be brought by rail, in tank cars, or it could be transported on barges on the Danube, but these are excessively expensive solutions. In that case, it would be better to abandon crude oil and to import refined oil from abroad, even if this oil would be much more costly than the oil refined in Hungary.

Lajos Antal, trade director at the Hungarian Oil and Gas Industry Joint Stock Company (Mol Inc.), informed us that these more costly solutions are not yet on the agenda because our crude oil supplies are balanced at the moment (even if they are not free of everyday problems), and this situation is expected to prevail during the winter months.

Approximately 2.5 million tonnes of crude oil should have arrived through the Adria pipeline this year, but only 1.7 million actually came. Lajos Antal told us that Mol Inc. still has no information on the future of the pipeline, nor does it know when it will be usable again. They know from the Croatian operators that the pipeline is undamaged between Sisak and the Hungarian border, but they have no clear information on the section of the pipeline that covers the 180 kilometers between the port of Omisalj to Sisak (this section is currently under Serbian armed control).

Given that the amount of oil needed for a reassuring domestic supply cannot be imported through the Adria pipeline, most of the substitute crude oil is being imported from the Soviet Union, and a certain amount of refined oil is imported from the West and other countries. Purchasing is still not an easy matter because Mol Inc. does not always buy the Soviet crude oil (substituting the planned oil from the Adria line) directly. This oil is purchased through business deals (usually barter deals) concluded by small (or large) Hungarian and foreign companies with various republics. Nevertheless, Mol Inc. believes that provisions are reassuring at the moment. Given that this oil is delivered through pipelines to Hungarian refineries, it constitutes the cheapest solution under the present circumstances.

This year, some 5 million tonnes of crude oil should arrive from abroad, and together with the 1.8-1.9 million tonnes of crude oil produced by Hungarian oil fields, this will cover our domestic needs.

At the same time, Mol Inc. is trying to prepare for any possible changes (both positive and negative). For example, Mol Inc. is drafting contracts with several firms on quantities of oil to be imported through the Adria pipeline in 1992, should the Adria be open for delivery again. Naturally, this would alleviate some of the current tension surrounding our oil imports.

Contracts are being signed at the moment for the first quarter of 1992, particularly for deliveries through the Soviet-Hungarian pipeline. Today it seems that the delivery of the necessary quantities can be secured through this pipeline, and Mol Inc. does not see any reason for anxiousness. Reserves are also sufficient. Our oil and oil-produce reserves in September were reported to be sufficient for one to one and a half months, and these reserves have not decreased significantly since September.

Hungarian fields can cover proportionately more of our needs in natural gas, but the several billion square meters needed yearly can still only be imported through the Hungarian-Soviet gas pipeline. However, that is simply a technical limitation. The purchasing (of Soviet gas and crude oil) can now be done from the local mixed enterprises and firms in the Soviet Union.

This year, Hungary's needs in natural gas amounted to 10.5 billion square meters. Somewhat more than 5 billion square meters are produced in Hungary, and 6.2 billion square meters are imported.

The difference that exists between the anticipated sale and the quantities at our disposal is a result of the fact that during the course of this summer, the underground gas tanks in Kardoskut, Pusztaederics, and Hajdoszoboszlo were filled up (gas tanks located on gas fields that had been exploited previously). Consequently, some 2 billion square meters of natural gas are at our disposal in these tanks, and when needed, approximately 24 million square meters can be produced daily.

This is an amount that can cover the highest daily needs during the winter months (together with domestic resources and foreign imports).

On the basis of good experiences from the past few years, Mol Inc. is still counting on disciplined and continuous gas deliveries, but the underground gas tanks are security reserves that could help overcome eventual transportation hitches.

Lajos Antal stressed that the winter supplies of the population, the municipalities, the electricity works, industry, and other consumers seem secure and balanced, so there will be enough gasoline, gas-oil, heating fuel, and all other crude oil products, as well as natural gas. No limitations whatsoever are foreseen at this point.

Stock Exchange Director Assesses Prospects

AU0911175891 Budapest NEPSZAVA in Hungarian 7 Nov 91 p 7

[Interview with Ilona Hardy, managing director of the Budapest Stock Exchange, by Peter Lovasz; place and date not given: "They Are Expecting Small Investors—Trust Is the Capital of the Stock Exchange"]

[Text] Some 40 years of ideological brainwashing created false ideas about many things, including the stock market. The resurrection of the Budapest Stock Exchange one and a half years ago was almost a worldwide sensation, and not without reason. The opening of the exchange indicated perfectly clearly for the world that Hungary broke with the directives of a planned economy and stepped on the road to establishing a market economy.

The stock exchange is nothing but an important prerequisite of market economies. It is the place where, according to predetermined rules, capital flows from one participant in the economy to another. I asked Ilona Hardy about the extent that price fluctuations at the Budapest Stock Exchange, which represents a relatively small amount of share capital for the time being, reflected the state of our economy and its prospects for development.

[Hardy] It is a fact that the Budapest Stock Exchange "only" represents stocks worth some 40 billion forints, but it is precisely these companies which reacted most quickly to the development of a market economy because they preceded developments, in a way. For this reason and with a clear conscience, I can say that the Hungarian exchange provides indications about our economic situation, indications that are worth taking note of.

[Lovasz] For a relatively long period recently share prices went down, and have only started to recover in the past few days. What are the immediate reasons for this phenomenon?

[Hardy] Share prices are not yet determined by the domestic situation. Rather, the stock market indicates the trust in Hungary, the uncertainties of the central European situation, and the worldwide willingness to invest. The Yugoslav events, the Soviet coup, the undoubtedly unstable economic and political situation in many places in central and eastern Europe do not encourage foreign investors to enter the Hungarian exchange. At the Budapest Stock Exchange, though, it is mainly foreign investors who are determining prices now because it is mainly they who ensure the liquidity of our exchange. Hungarian investors represent a relatively small demand for the domestic share market. Therefore, in my view, Hungarian share prices mainly decreased due to foreign events. This is also proved by the fact that the Vienna Stock Exchange was also sluggish in this period.

[Lovasz] With its limited size and facilities, will the Budapest Stock Exchange be able to cope with its responsibilities, such as carrying out privatization and introducing the shares of Hungarian companies abroad?

[Hardy] It definitely possesses the expertise, and we also have opportunities to increase our technical capability. The EC and Great Britain individually contributed more than $3 million to equip the stock exchange. The other aspects of the exchange's organization has been "set up." The Exchange Council and the Ethical Committee have been set up and we have our own court. Therefore, in conjunction with the National Securities Inspectorate, the exchange is able to introduce new companies to the stock market, carry out trades in shares, and perform the relevant official duties.

[Lovasz] Why does the stock exchange, which is a voluntary association of enterprises and investment institutions, have to be vested with the powers of authority?

[Hardy] The exchange and its employees make sure that all participants in the stock market (investors, issuers, and brokers) enter the exchange according to the same rules and on equal conditions. The rules of the game have to be clear and transparent. All this is important to create trust. Anyone who violates these rules has to be punished, occasionally very severely.

[Lovasz] At the moment, shares of only 19 enterprises are registered. What is necessary to turn the exchange into the primary Hungarian capital market?

[Hardy] The exchange will become a truly important economic factor when at least half of the production capital is in private ownership or in the ownership of institutions that "behave" like real owners. Today, besides the foreign investors, large institutional investors of determining importance and small investors are completely missing from the Hungarian stock exchange. Institutional investors could show the direction for others because they invest large amounts of money with expertise. They direct their purchases toward shares of stable enterprises.

[Lovasz] Are banks present in the stock exchange?

[Hardy] They will be by January 1993 through their broker companies and subsidiary companies specifically set up for this task. (Only registered expert companies, so-called brokers, can operate on the exchange and they represent the investors.) At the same time, bank shares are not listed on the stock exchange. This can only be done after banks are privatized. However, bank shares are missed very much because their supply and demand provide very important indications for investors.

[Lovasz] Why is the presence of small investors important?

[Hardy] As a group, small investors represent a considerable volume of capital. Security is important for them and so is good profit. Usually, in a well-functioning market economy, shares pay bigger dividends than the interest on bank deposits. This is why small investors' money appears on the stock market.

[Lovasz] However, small investors are better off buying bonds than shares, because the former have greater interest and they are safer!

[Hardy] That is still true today. This is precisely why small investors should be given incentives in legal provisions. The exchange made some proposals to the government to grant special favors to the purchasers of publicly issued shares, for example: tax exemptions on some of the investment from taxable income; exemptions on gains from share price differences and write offs as expenses on any losses; with a zero or 20 percent tax on interest, to tax dividends on the basis of a much lower rate. All these factors, together with curbing inflation and establishing a convertible forint, will lead to strengthening the trust of foreign capital, speeding up domestic capital flow, and, ultimately, to establishing a market economy and an internationally important stock exchange.

Geremek Abandons Attempt To Form Government

LD1311152191 Warsaw Radio Warszawa Network in Polish 1500 GMT 13 Nov 91

[Text] A few minutes ago Profesor Bronislaw Geremek, who was designated by Lech Walesa, president of the Polish Republic, for the prime ministership, issued a statement to journalists in which he states that in view of the Center Alliance's standpoint, as well as the unclear standpoint of the Liberal Democratic Congress, he has decided to give up his efforts to form a cabinet.

Professor Bronislaw Geremek stressed that both he and the Democratic Union tried to show responsibility for the fate of the country.

Makes Televised Statement

LD1311222691 Warsaw TVP Television Network in Polish 1925 GMT 13 Nov 91

[Statement by Professor Bronislaw Geremek after giving up his attempt to form a new government, on 13 November, place not given—recorded]

[Text] The president of the Republic entrusted me with the mission of creating a new government. This was an important decision, over and above rancor, over and above divisions, formulated honestly, and honestly accepted by me.

I acknowledged that for the new government to be able to function in a rational way it must have at its starting point an agreement between the Center Alliance [PC], the Liberal Democratic Congress [KLD], and the Democratic Union [UD]. Not by virtue of the likings of these groupings, the KLD or the PC, but by virtue of the interest of the state. This was indispensable, the arithmetic of voting is not, after all, everything.

The point is that the government must be able to implement the policy that the country needs, a country that is in a difficult situation. After all, there are internal threats around us, external threats. It transpired that such a proposal, formulated in the spirit of the interest of the state and over and above party divisions or particular interests, is not acceptable to the PC. The KLD also did not give a clear reply to this proposal. In this situation, the support of the UD was not sufficient. I cannot undertake this mission.

On the other hand, I wanted to say that this mission had a chance. I judge that its opportunity was in a clear program. The UD had already formulated, the day after the elections, that which it called the threshold conditions for economic reform and the indispensable conditions for the reform of the state. The economy is, after all, the main problem. This is that which ensues things at the level of the Polish family. Politics means precisely this, to have the feeling of security, and have opportunities.

The point was to continue what was appropriate to continue, a strong currency, an opening to the market, that which Leszek Balcerowicz formulated—as the creator of this economic program. And this would simultaneously signify boldly starting up those mechanisms that would arouse the entire economy; and thus, for state enterprise not to be a fifth wheel on the cart of the national economy and for privatization to ensue quickly, intelligently, and without loss to anyone. The creation of a State Treasury Board would make impossible any sort of abuses or even scandals around this.

Foreign investments are necessary, because they precisely create workplaces that allow for the avoidance of unemployment. They need clear, comprehensible conditions, because only then does foreign capital enter the country. A clear tax system is a good thing for the state, but also good for all those who concern themselves with the economy. It cannot be the case that the principles change in the course of the game. Tariff barriers ought to exist where they are necessary. I am not an advocate of tariff barriers, but it is at times necessary to defend the economy, defend what we already have.

Finally, I judge that an economic policy is required at the moment that would mobilize the countryside and small towns—this is, after all, Poland. The countryside continues to be an enormous social and economic reservoir, and a policy is required that would give it an opportunity. And finally, social conflicts ought to be avoided, but it is also necessary to look boldly and realistically to the future. There will be conflicts. They must be resolved. The principle that I could propose with a new government would have been the principle of social accords, so that representatives of enterprise workforces, representatives of farmers, and social organizations would appear as very important sovereign entities.

I also wanted to say that, in my conviction, the policy of the new government had to have among its priorities, the most important matters, the efficiency of the state. Yes, because the state is necessary to all of us. The state is us. That means that it is the state which punishes when the law is broken. It cannot be the case that a transgression, whatever it happens to be—a transgression in relation to people, in relation to society or in relation to the nation—remains unpunished. Simultaneously, a state that is wise, decentralized, organizing people's lives.

I think that the reform of public administration would be one of the instruments for making the state more efficient. But I do not know a more important task than precisely this. This is what this program was to have been. I am convinced that Poland needs such a program. Not just my own political group demands this. I think that we all demand this. And I would like to say, ladies and gentlemen, that I have the conviction that such a program will be implemented. There are no personality problems here. Politics makes sense when it serves people. And the future government, whatever it will be, ought to observe such principles.

Bielecki Prepared To Accept Prime Minister Post

LD1311182891 Warsaw PAP in English 1520 GMT 13 Nov 91

[Text] Warsaw, Nov. 13—Poland's Prime Minister Jan Krzysztof Bielecki announced on Wednesday he was ready to accept the post of prime minister in a new cabinet should the president propose it to him and should he be able to operate in conditions described in the "Plan for Poland" prepared by his party, the Liberal Democratic Congress. Bielecki made his declaration soon after Bronislaw Geremek resigned from his cabinet forming mission.

Parties React to Geremek Failure To Form Cabinet

LD1411003191 Warsaw PAP in English 1655 GMT 13 Nov 91

[Excerpt] Warsaw, Nov. 13—Bronislaw Geremek, a leader of the Democratic Union (UD), resigned from his cabinet forming mission on Wednesday. Geremek announced his decision at a press conference on Wednesday afternoon.

High-ranking representatives of the National Christian Union (ZCHN) and the Confederation for Independent Poland (KPN) both voiced satisfaction over Geremek's decision to discontinue efforts aimed at forming a government under his chairmanship.

Antoni Macierewicz of ZCHN and Krzysztof Krol of KPN said in separate statements for PAP that Geremek's resignation was inevitable and attested to his common sense and sound perception of reality. Macierewicz added that politicians of the five parties which refused to support Geremek's mission would meet tonight to discuss "directions of joint actions in the situation that has arisen."

Krol repeated the opinion that Geremek would have continued the course of his predecessor, Jan Krzysztof Bielecki, while what Poland needed was a turn in policy, not continuation. He also repeated that the next prime minister should come from a Centre Right coalition.

Geremek resigned after only a few days since President Walesa entrusted him with a mission to form the cabinet. His mission had seemed very difficult from the very start, but was made next to impossible after four Centre Right parties commanding a significant percentage of parliamentary seats explicitly refused to cooperate, putting forward their own candidate for premier, Mr Jan Olszewski of the Centre Alliance.

Chairman of the Polish Peasant Party (PSL) which is one of the major parliamentary forces in the new Sejm said that the failure of Geremek's bid to form a cabinet stemmed from lack of agreement inside the post-Solidarity bloc. Waldemar Pawlak stressed that the evident instability of the political situation worried him very much. According to Secretary General of the Social-Democratic Party (SDRP) Leszek Miller the resignation of Bronislaw Geremek "opens a protracted government crisis." Miller voiced his surprise and regret that "the first attempt to form a new government ended in failure."

"It is a pity that Geremek was forced to give up his effort since Poland needs a new government right away," added Miller. [passage omitted]

Solidarity Rejects Entering Future Government

LD1311204491 Warsaw PAP in English 1951 GMT 13 Nov 91

[Text] Warsaw, Nov. 13—Leader of the Solidarity floor group Bogdan Borusewicz stated Wednesday the union was not going to enter a future government. Borusewicz, who met with Bronislaw Geremek earlier on Wednesday still before his giving up the cabinet-forming mission, said their talk covered social problems the new Sejm (lower house) should consider in the first place. According to the Solidarity caucus which met for the first time on Wednesday the most urgent problems include the creation of a pension system, privatization, and the adoption of an anti-corruption law. Borusewicz said the Solidarity floor group was open to cooperation with other parliamentary groupings except the post-Communist Democratic Left Alliance and the Party "X". There are 27 Solidarity deputies and 9 senators in the new parliament.

KLD Supports Reform-Oriented Coalition Government

LD1311123291 Warsaw PAP in English 2002 GMT 13 Nov 91

[Text] Warsaw, Nov. 13—The leaders of the Liberal-Democratic Congress (KLD), Jan Krzysztof Bielecki, Donald Tusk and Janusz Lewandowski stated here Wednesday that a new coalition government should be based on the common heritage of the Solidarity Movement and other currents of democratic opposition to communism.

They proposed forming a reform-oriented coalition of parties united by the striving to rebuild Poland from economic ruin brought about by communist policies. Such a government should be given constitutional powers enabling it to implement a two-year economic policy programme.

Tusk added that these proposals had been presented by the KLD in the course of coalition talks held in recent days and met with approval in principle of other parties.

Speaking during the same press conference Wednesday, Jan Krzysztof Bielecki said that he rated Poland's chances as good at the moment provided the country is not drawn into some kind of a risky experiment, now that so much was achieved on the road of reforming the economy.

Tusk said the KLD had no firm favourites for the post of prime minister and was rather interested in reaching a lasting agreement of the non-communist majority in Parliament.

He also said he saw no major differences in the economic programmes worked out by the KLD, the Democratic Union and the Centre Alliance.

Moreover, according to Tusk, talks on forming a coalition government held so far had shown that both the Centre Alliance and the Christian National Union (ZCHN) no longer used the kind of aggressive language directed at government policies they had used during the election campaign.

Walesa Consults Party Leaders on Forming Government

LD1411002291 Warsaw PAP in English 2103 GMT 13 Nov 91

[Excerpts] Warsaw, Nov. 13—Bronislaw Geremek on Wednesday afternoon gave up efforts to form a new cabinet and explained why he considered it impossible to succeed in a letter addressed to the president. The outgoing Prime Minister Jan Krzysztof Bielecki, on the other hand, immediately announced he was ready to lead a new cabinet. [passage omitted]

The president will take up further consultations aimed at forming a new government in the situation that has arisen after Professor Geremek's failure, presidential press spokesman Andrzej Drzycimski told the press here Wednesday. [passage omitted]

Geremek was said to have told newsmen off the record that Walesa received his resignation from forming a cabinet with deep regret. Drzycimski disclosed that Walesa met Wednesday with leaders of the Liberal Congress, Confederation for Independent Poland, and Christian National Union. He evaded commenting on why the Centre Alliance representatives had not been present, despite having received an invitation.

Parties Recommend Olszewski

LD1411121291 Warsaw PAP in English 1142 GMT 14 Nov 91

[Text] Warsaw, Nov. 14—Representatives of the five parties who met Thursday morning with President Walesa for consultations on the formation of a new government proposed Jan Olszewski of the Centre Alliance (PC) as a candidate for the post of prime minister.

Following the meeting, leader of the KPN, Confederation for an Independent Poland, Leszek Moczulski said President Walesa "was not sure Jan Olszewski's candidacy guaranteed 100 per cent certainty" and "did not conceal that he would prefer the candidature of Jan Krzysztof Bielecki".

Representatives of the five parties—the Centre Alliance (PC), the Liberal Democratic Congress (KLD), the Peasant Alliance (PL), the Confederation for an Independent Poland (KPN) and the Christian National Union (ZCHN)—are to meet for talks later in the afternoon. They are also expected to meet again with the president to continue consultations started in the morning.

Center Alliance's Glapsinki Supports Olszewski

PM1411095491 Lodz GLOS PORANNY in Polish 7 Nov 91 p 6

[Interview with Construction Minister Adam Glapinski, Center Alliance deputy chairman, by correspondent Henryk Sroczynski; date and place not given]

[Text] [Sroczynski] The Center Alliance, of which you are deputy chairman, has criticized Prime Minister Bielecki's government. You are a minister in this government....

[Glapinski] As a general rule, ministers in all governments hail from different parties. These parties all have their separate, distinct programs. However, there is a certain framework within which a minister who represents a given party can realize his prime minister's program. I believe that our government has not transgressed the limits of this framework—therefore we are loyal to it and to the prime minister—nor has our own party transgressed them, either.

[Sroczynski] At an earlier time, the Center Alliance declared support for a "breakthrough government," to be formed by Counselor Jan Olszewski. Do you believe that the creation of such a government then would have protected us against certain negative effects of changes in the economy?

[Glapinski] The program of the "breakthrough government" which you mention here was made known to the public in its rough outlines, as was its probable composition. Our party wanted to bring to that cabinet its concept of rapid economic transformations. The failure to introduce such transformations has brought negative consequences which are acutely felt by the population today. Our program was not based on empty slogans. We proposed solutions which were the natural consequence of a rational, common sense approach. The government proposed at the time would have made it one of its principal aims to ensure that the parliamentary election took place in May.

[Sroczynski] How is your cooperation with Deputy Prime Minister Leszek Balcerowicz progressing?

[Glapinski] It is debatable whether there is any cooperation at all.... Prime Minister Bielecki's government is a team which has been implementing a program that involved discussion on the one hand of certain proposed parliamentary bills and on the other of the optimum direction of its activity. In the course of these discussions

a variety of viewpoints were expressed and a variety of proposals submitted. This is hardly surprising, since the Bielecki cabinet includes people from the Liberal Democratic Congress, Center Alliance, Democratic Union, and Christian National Union.

[Sroczynski] Recently the Center Alliance recommended that Counselor Jan Olszewski be again considered as a candidate for the prime ministership. Would you join his government?

[Glapinski] I believe that Counselor Olszewski would fully meet all the requirements necessary to qualify for the position of prime minister of a Polish government. This is why I would gladly join such a government. Indeed, Counselor Olszewski would be the prime minister we need.

[Sroczynski] What position would you like to accept in his cabinet?

[Glapinski] Putting together a government is a most complex process which must tie in with both election results and issues connected with policy programs. Decisions on personal composition are in fact made at the very end of this process. It is still not clear what the structure of the next government should be. For a long time now everyone has been talking about the need to change the existing structure and about an arrangement in which there would be two deputy prime ministers.

[Sroczynski] Do you believe that the executive power apparatus should receive constitutional reinforcement?

[Glapinski] I believe that Poland needs a strong executive power apparatus and one which will be strongly based on public support. Only a government that fulfills these preconditions will be able to make difficult decisions for the good of its country.

Balcerowicz, Yeltsin Envoy Discuss Reforms

LD0911042991 Warsaw PAP in English 2255 GMT 8 Nov 91

[Text] Warsaw, Nov. 8—Russian President Boris Yeltsin invited Poland's Deputy Premier Leszek Balcerowicz to a meeting of leading reformers-economists from all over the world to be held in Moscow on Nov. 27-28.

The invitation was conveyed to Balcerowicz on Friday by Yeltsin's personal envoy Sergey Stankevich who talked with the Polish deputy prime minister about Poland's experiences in the implementation of the economic reform especially those which could be applied in Russia.

"Polish reforms are being analyzed by a special committee of the Russian Government since a package of sweeping reforms announced by President Yeltsin resembles reforms carried out in Poland," Stankevich told newsmen after his meeting with Balcerowicz. While referring to Polish-Russian trade Stankevich disclosed that the Russian side was considering a possibility for Polish producers to buy raw materials on Russian exchanges for rubles earned through food exports.

Vice Premier Balcerowicz added on his part that the two sides were seeking to improve the two-way trade by means of barter deals. "We are open to all proposals," he said and pointed out that Polish producers should realize there were no prospects for increasing the export of Polish investment goods to the Eastern market.

Asked what kind of advice he would give to the Russian Government Balcerowicz replied: "I will gladly take part in the meeting I have been invited to attend and as for advice I would recommend the radical variant which is the least risky one."

Stankevich also conveyed on Friday a message from Boris Yeltsin to President Lech Walesa, presenting reforms which the Russian president intends to introduce in his country as well as containing some proposals concerning direct cooperation.

In the message Boris Yeltsin once again invited the Polish president to visit Russia and expressed a hope that this trip will coincide with Lech Walesa's official visit to the USSR.

During the meeting between Boris Yeltsin's envoy and President Walesa the sides discussed issues related to the stationing of Soviet troops in Poland. The Polish president stressed the importance of their speedy withdrawal.

Sergey Stankevich also met Friday with Polish Foreign Minister Krzysztof Skubiszewski. "The talk focused on Poland's relations with her eastern neighbours, especially Russia. In the present reality that has recently emerged in the East, Poland's cooperation with newly set up states there becomes particularly important for all sides," the minister's spokesman Grzegorz Dziemidowicz said after the meeting.

Spokesman Chebeleu Discusses Yugoslav Issues

AU1311203991 Bucharest ROMPRES in English 1835 GMT 13 Nov 91

[Text] Bucharest ROMPRES 13/11/1991—During the weekly press conference of Romania's Foreign Ministry, the spokesman for that ministry, Ambassador Traian Chebeleu, informed journalists of a decision on the application by Romania of Resolution 713/1991 of the UN Security Council, which was recently adopted by the Romanian Government. That normative act stipulates that deliveries by Romania of weapons and military equipment to Yugoslavia or the use of ships under Romanian pavilion or of other transport means for that purpose by state bodies, public institutions, Romanian natural and juristic persons and any foreign natural or juristic person in the territory of Romania are forbidden.

Violation of those provisions, the decision shows, entails material, civil, disciplinary, contraventional or penal responsibility, according to legal regulations in force.

Dragutin Zelenovic, prime minister of the Republic of Serbia, will pay a working visit to Romania on November 18, as guest of Prime Minister Theodor Stolojan.

"The visit," Foreign Ministry spokesman, Ambassador Traian Chebeleu, mentioned at the weekly news briefing, "meets the mutual wish to continue the Romanian-Yugoslav dialogue and is in line with the keeping of contacts and promotion of relations with all republics.

"The talks to be conducted on the occasion, just like those during the recent Romanian visits by dignitaries from the Republics of Croatia, Macedonia and Slovenia," the diplomat said, "will allow the Romanian party to know the course of events in Yugoslavia. Likewise, the stage of bilateral relations and the prospects of Romanian-Serbian cooperation will be analyzed during the Romanian visit by the Serbian Premier."

Japan To Grant Credit for Transportation

AU1411110791 Bucharest ROMPRES in English 0925 GMT 14 Nov 91

[Text] Bucharest ROMPRES 14/11/1991—A credit worth of 1 billion dollars of which 716 million dollars are for the Ministry of Transport will be granted to Romania by a Japanese banking group interested to invest in transports, daily "TINERETUL LIBER" announces in its November 13 issue.

Granted in advantageous conditions with a four-percent interest to be paid in twenty years the loan is meant to modernize railway, road, harbour and airport infrastructures.

A part of the funds will be used for the reequipment and computerization of railways, the modernization of road traffic.

Stolojan Report Details Foreign Debts, Credits

AU1311181391 Bucharest ROMPRES in English 1450 GMT 13 Nov 91

[Text] Bucharest ROMPRES 13/11/1991—According to the report on the state of the economy read before parliament by Premier Theodor Stolojan on November 4, Romania's foreign debt on September 30, 1991, was of 940 million dollars, representing medium- and long-term credits, of which 211 million contracted before 1989. Romania's planned foreign debt stands at 1,441 million dollars, of which 940 million dollars in actual foreign debt and 501 million dollars in incoming credits or credit contracts being negotiated.

As the Romanian Development Agency shows, the credits are granted by various international and European financial and banking bodies as follows:

—754 million dollars as a loan from the International Bank for Reconstruction and Development, payable in 15-17 years, with the standard variable interest rates charged by that bank. This loan consists of 180 million dollars for technical assistance and urgent imports (23 million for technical assistance and 157 million for urgent imports in power engineering, transport, telecommunications, mechanization of agriculture); 150 million dollars for the rehabilitation and the qualitative growth of assistance in health care to restructure the health sector, the pharmaceuticals industry included, the rehabilitation of primary medical assistance, the development of medical institutions, the purchase of equipment and materials, technical assistance, etc.; 24 million dollars for technical assistance in infrastructure (16 million for technical assistance and 6 million for equipment imports, 2 million granted by Japan for a water-supply and sewerage study in Bucharest city), adding to which are another 6 million dollars to finance projects as part of the PHARE [Economic Reconstruction Aid for Poland and Hungary] programme; 100 million dollars for the development of agriculture, to be used to support the privatization of agriculture, including the technological reequipment of the farm machinery building industry;, 300 million dollars for the structural adjustment of the economy, a loan to be used to maintain Romania's external balance of payments.

—180 million dollars granted by the Group of 24, the IMF, the EBRD [European Bank for Reconstruction and Development] and other sources.

On the other hand, the IMF grants Romania financial assistance amounting to roughly one billion dollars of which 380.5 SDR [special drawing rights] (536 million dollars) and 247.7 SDR (346 .8 million dollars) for compensatory financing and unexpected situations and 131 million SDR (183.4 million dollars) granted for a period of five years for the purchase of oil and natural gas, including part of the country's actual loans.

The Group of 24 continues to financially assist Romania on the basis of an accord between the EEC and Romania for supporting the external balance of payments and strengthening the country's currency reserves. The loan stands at 500 million dollars as part of the loan of one billion dollars in which the non-community member states of the Group of 24 as well as countries affiliated to the Group of 24 participate. The EEC countries have already decided to grant the 500 million dollars, irrespective of the attitude of the other countries in the Group of 24.

The European Bank for Investment granted Romania credits worth 80.6 million ECU (68.49 million dollars) to finance the project for the rehabilitation of thermoelectric plants.

People Urged To Defend Freedom of Local Elections

AU0811210391 Bucharest DREPTATEA in Romanian 4-5 Nov 91 p 1

[Article by Ilie Paunescu: "Mr. Iliescu and the Elections"]

[Text] The local elections at the beginning of next year will be very significant. What is at stake is the creation of a solid foundation for democracy in communes, without which one cannot conceive of a national parliamentary representation system.

There are already enough elements to assess whether the current regime intends to organize correct elections. If not, then the public has to be warned and urged to defend free and correct elections from the very beginning of the election campaign.

At this point, the most powerful opponent against establishing democracy in Romania is the country's president. Corruption immediately follows him. As for the other threats, we will not deal with them within the limited framework of this article.

Through the position he holds in the state and the prerogatives granted him—upon request—by a despicably compliant parliamentary majority, Mr. Ion Iliescu poses a real threat for the freedoms and rights of the citizen. An incomparably greater threat than the potential risks embodied by other partisans of totalitarianism are: the covert but convinced continuers of the Communist Party; Mr. Ilie Verdet and his recent followers; or the most noisy champions of extreme rightist antipatriotism.

And, posing as the parent of the homeland, specifically Mr. Ion Iliescu is to see to it that the elections are correct. The chances that he will honor his constitutional role are easy to assess if we review his recent list of honors. One cannot ignore the fact that the current president is the man who launched and led the counterrevolution in December 1989; who in 1990—during an election campaign with all possible tricks and violent acts—proclaimed that he aspires to the position of "wise despot"; who ordered devastation and bloodshed from 13-15 June 1990; who persistently continues to poison people's minds with the help of trivial lies on television; and who only last week raised the nonobservance of the law to the rank of government principle.

The prospects for the coming elections are even more clear if we bear in mind the dishonesty of so many of the things making up the government mechanism.

We are living in a country in which the head of the government declares war against corruption, but whose elan and energy stand to be swallowed by the sands of inertia, or worse, to be annihilated because of his underlings' complicity in violations. A clear-cut example of refusing to be involved are those secretaries of state who tell the press that they do not know whether one can speak of corruption at the top levels, although everybody knows that a comprehensive file with "numerous abuses and violations of law" has been opened on one of the former ministers in Roman's team.

What results may Mr. Stolojan's campaign yield at lower levels, when in the offices under his direct subordination well known irregularities are ignored? What are the chances for correct elections next January or February when incorrectness is rampant within the administration, beginning with the mayor, the prefects, and up to the ministers?

And, above all, what are the chances for correctness to be triumphant in the coming winter elections when the head of state himself requests on television that the law be violated?

The population has to be alert in the months to come. The confrontation with the opponents of democracy will be a fierce one. Our future and the future of our children mainly depend on our determination to defend the freedom of the coming local elections.

Vatra Opposes Use of Hungarian in Administration

AU0811185691 Bucharest ROMPRES in English 1644 GMT 8 Nov 91

[Text] Bucharest ROMPRES, 8/11/1991—In an appeal to the Romanian parliament, sent to "ROMPRES" for release, the leadership of the "Vatra Romaneasca" Union expresses dismay at and concern over the equivocal stance taken by the majority parliamentary group (the National Salvation Front) in connection with a proposal advanced on behalf of the Hungarian Democratic Union of Romania by Senator Karoly Kiraly on the introduction in the constitution of a provision stipulating the use of the mother tongue in administration in localities where the Hungarian population exceeds 10 per cent.

The appeal expresses the opinion that the effects of that provision would be very harmful on a long term to the whole socio-political evolution of the country as on the

one hand it undermines the authority of the official language and on the other hand it creates a dangerous legal framework for the proliferation of the nefarious tendencies of the policy of the Hungarian Democratic Union of isolation of the Hungarian minority in Romania.

To render the aforesaid thesis topical again, the appeal shows, is a new attempt on the part of the Hungarian Democratic Union to create legal, apparently insignificant, conditions for a relaunching of its separatist policy aimed at rendering autonomous a number of areas in Romania's territory.

Noting that that amendment runs counter to national interests, the "Vatra Romaneasca" Union requests the Romanian Parliament to reformulate a number of articles in the draft constitution so as to eliminate the equivocal and all possibilities of misinterpreting is to the detriment of the Romanian people's fundamental interests.

Iliescu Opposition to Land Law Application Noted

AU0811220191 Bucharest ROMANIA LIBERA in Romanian 6 Nov 91 p 1

[Florin Gabriel Marculescu article: "Irresponsibility"]

[Text] The smokescreen produced by the Parliament discussion of the Harghita-Covasna report did not manage—as was probably intended—to blind us and to divert our attention from the national tragedy on the threshold of which we were brought almost unawares. However, a taste of the winter to come was enough to bring us back to our senses, to make us forget the passions of nationalism, and to realize in panic that our rulers have done absolutely nothing to stave off the cold and darkness we will have to put up with for the next several months, until the reprieve of spring. What is more, to the coming cold, one should also add the coming hunger. At the end of less than two years of chaotic rule, our resources seem to have been totally exhausted. It has become increasingly harder to find even our daily bread, cold and of ever more doubtful quality as it is. For the first time in its history, Romania is obliged to resort to imports of grain—our weed-grown cornfields are no longer able to meet the needs of decent consumption. We were told, and our rulers keep telling us, that this is the price we have to pay on the altar of the reform. They are partly right, but the truth that cannot be ignored is that to this normal, let us call it natural price, they have added the unbearably overcharged bills of the corruption and incompetence of the rulers from top to bottom. To this one should also add the painful price of political obtuseness and the (deliberate) obstacles raised to the extremely slow and sinuous process of the democratization of our political and social life. In the absence of this democratization, the recovery of our economic life and the progress along the road of the market economy remain, alas, mere illusions.

Under the pressure of social discontent, the Roman government resigned but "forgot" to present an account of the results of its administration. The Stolojan government seems to be inspired by good intentions, but it lacks the necessary resources, while foreign credits are not easy to come by. Some people say that we need about $1 billion to cope to a certain degree with the winter hardships. This billion cannot be obtained because our authorities continue to be considered untrustworthy and are incapable of coming out of the crisis of authority into which they sunk out of ill will and nonobservance of their own laws and promises. The freshest example is provided by Mr. Ion Iliescu's irresponsible attitude toward the Land Stock Law. We commented on this law a short while ago, recalling the abusive way in which the "plenum" of agriculture was convened and the insolence with which the president insulted a large category of citizens whom he labeled "profiteers" and "parasites." The fact that Ion Iliescu arbitrarily opposes the implementation of the spirit and letter of this law—thus unjustifiably substituting himself for both the Parliament and government—is an act of the utmost gravity. Abusing his position, President Iliescu has grossly violated the state of law in this country and has again tried to sow discord among the population. He is driven to this by his typically communist intolerance. He is doing it because he detests and does not understand the values of democracy. He is trying, in a last effort, to save the communist structures in agriculture, without realizing that such a stand risks pushing the tensions caused by the delay in the issuance of ownership titles to the point of explosion.

One cannot underestimate or ignore the effects of the presidential intervention. We believe that the political parties, particularly the ruling one, should state their positions in this respect. The Parliament should start the procedure of suspending Mr. Iliescu from his position. However, we know that it will not do it, because the Parliament in its current composition would not undertake such a step. However, this Parliament is definitely obliged to examine without delay the stage of the implementation of the Land Stock Law and to demand that the executive carry it through. The Parliament is also obliged to reveal and urgently examine all amendments for improving the respective law.

The issuing of ownership titles can no longer be postponed. However, we should not forget that without substantial support, our agriculture will be unable to make a new start next spring either. There is need for a law providing for substantial aid to the people who were given land, regardless of the way in which they intend to work their lands: individually or in associations.

The joint actions of the Parliament and government should put an end to the noxious dictatorial instincts of a president who, from the moment he took power, has done nothing but seriously harm Romania's basic interests.

Zelenco Details Price, Tariff Regulations

AU1411085591 Bucharest ROMPRES in English 2307 GMT 13 Nov 91

[Text] Bucharest, ROMPRES 13/11/1991—At the close of today's meeting of Romania's Government that

endorsed a very important decision on the regulation of the price and tariff scheme, Iacob Zelenco, head of the Price Department of the Ministry of Economy and Finance, gave the following details:

"The decision regulates the concrete way of application of the measures for the unification of the exchange rates of the leu and the other measures deriving from the enforcement of these provisions. The decision makes distinct approaches to the problems of wholesale prices and the retail ones. For some raw materials, fuels and energy out of domestic production the prices are to be set by negotiations by the economic agents on own responsibility, while strictly complying with the level of international prices. The enforcement of this principle is of outstanding importance and it gives certain rationality to the whole system of prices, as the intermediate branches that use these products in their technological process will from now on have the reason, while unfolding normal activity, to change as correctly as possible the efficiency of the products they manufacture and, also, have the prices to be established aligned with the levels of world prices. As for the natural gas, according to credit agreements concluded by Romania with international bodies, it is now below the level of world prices, but there is a provision according to which the prices are to be adjusted by ten percent quarterly, so that in one year or one and a half years' time the world price may be approximated.

With the other products, the wholesale prices will be set by the economic agents in consideration of the influences resulting from the unification of the exchange rates of the leu, from the process of manufacturing as a result of the rise in the prices of fuels and energy, prices aligned to the international level and, of course, of the level of salary indexation to be given in compensation of the general rise in prices and tariffs.

Mr. Zelenco also mentioned that the retail prices with a number of products that are important for the population's consumption, such as electricity, bread, milk, butter, sugar, edible oil, house rents, travel cards, school note books and text books, all in all some 15 products, will remain unchanged. They are to be further subsidized from the state budget.

He added that only this year, that is one month and a half, these subsidies would increase by about 75 billion lei, and also mentioned that the decision endorsed also stipulates that starting May 1992, 25 percent of the subsidies for these products would be replaced by retail price increases.

As for the other goods, prices will be set on the basis of wholesale prices and selling commissions, that, as the decision says, cannot exceed the ones in force today, when the decision was adopted, said Mr. Zelenco. Another provision specifies that the total selling commissions cannot exceed 30 percent, irrespective of how many they are.

The decision is put into force starting November 15, but its impact on prices will be felt gradually, as the influences in the primary branches take time to propagate to the final ones. The stocks of goods existing at present at the economic agents and in the selling network are going to be sold with the old prices, as they were not produced under these new conditions, concluded Iacob Zelenco.

'Poor Results' Reported in Planned Investments

AU1211113691 Bucharest ROMPRES in English 0929 GMT 12 Nov 91

[Text] Bucharest ROMPRES 12/11/1991—Investments in counties and in Bucharest city are much below provisions, reads a study in the July-August issue of the bulletin of the Forecast and Economic Orientation Department of the Economy and Finance Ministry.

The 72.5 billion lei local investment funds for 1991, at current prices, made of 11.5 billion lei allotted from state central administration budget and of local sources such as a 50 percent quota of the sales of state-owned dwellings, rents and private investment—of the population, commercial companies and autonomous units etc.—have been used only partially.

In the first semester, the study reads, all counties, [word indistinct], except Calarasi and Ialomita, did not implement their investment programmes, some reporting only eight percent achievements, like Cluj, Mehedinti. For the unsatisfactory results in investment execution set under the counties' and Bucharest city's own programmes—the capital realized in the first semester only 23 percent of the annual 14.1 billion lei investments—the study blames the restrictions in construction in the first two months of this year, the reorganizations in this sector, the dismemberment of large construction enterprises.

The lack of guidance and control of construction activities in prefectures and in Bucharest city, the failure to reopen building sites and the lack of materials and work force, of order and discipline are the direct causes of the poor results in the first semester (when only 21.3 percent of the total investments planned for this year were realized) the prospects for the second half of the year being equally uncertain.

Department Surveys Agricultural Decentralization

AU1111141291 Bucharest ROMPRES in English 1032 GMT 11 Nov 91

[Text] Bucharest ROMPRES, 11/11/1991—Romanian agriculture now undergoing reform is characterized by transfer of responsibilities and decisions from a central

level to economic agents, following the dismantlement of the intermediate structures and bodies.

A survey released by the Economic Forecast and Orientation Department of the Ministry of Economy and Finance in the July-August issue of the ministry's bulletin, shows that the Ministry of Agriculture and Food was reorganized and the 558 joint state and cooperative agro-industrial councils—intermediate structures between the county councils and the local farm units—as well as the 123 county structures and 13 industrial trusts and central departments operating as zonal or central bodies were dismantled. Concomitant, the laws and regulations providing for planning of agricultural activities, were eliminated, and the economic agents organize autonomously their activities, upon the principle of remunerativeness. The postrevolutionary government deblocked the financial flow in agriculture early last year, writing off the 105 billion lei debt aggregated by the farm units by the end of 1989. Likewise, the commerce in all farm produce was liberalized and demonopolized, concomitant with the liberalization of farm produce prices.

At the beginning of 1990, the survey shows, every cooperative farmer got 5,000 square meters of land and every employee of state farms got 2,500 square meters of land to use out of the land of cooperative farms and state farms, which extended the privately owned farm land to 2.2 million hectares in 1990. Consequently, the production in the private sector grew by 3.9 million tonnes of cereals, 150,000 tonnes of vegetables, 180,000 tonnes of pork, and the head of animal in the private sector grew by 400,000 horned cattle, 1.8 million sheep and 500,000 pigs.

As a result of the above measures in 1990, the private farmers held 5,420,000 hectares—36.7 per cent—of the country's farm land, 2.668,000 hectares—28 per cent—of the arable land, 176,000 hectares—30 per cent—of the area under vine and tree plantation, 2,576,000 hectares—54.3 per cent—of the wild pasture land and hayfields, 2,446,000 hectares—41.3 per cent—of the total 6,283,000 horned cattle, 8,512,000—61.2 per cent—of the 15,442,000 sheep and 3,600,000—29.8 per cent—of the total 11,658,000 pigs.

The privatization, the survey shows, the only regulator of agriculture upon commercial and competitive bases, proceeds under the land law according to which the land becomes farmers' property again, as of 1991, by areas of from 0.5 hectares to 10 hectares per family. The land left available after farmers were apportioned land, is set at the disposal of the national agency of rural development, that offers it after a while for lease or sale. At the end of 1991, when the transfer of land to farmers is to be completed, the land ownership in Romania is expected to have the following structure: 11,950,000 hectare—81 per cent—private farmland of the total 14,750,000 hectares farm land, and 7,510,000 hectare—79.7 per cent—private arable land of the total 9,428,000 hectares arable land.

The sizes of the private farms will be mostly between 0.5 hectares and 1-3 hectares, i.e. below the limit allowing for an accumulation of capital. The law allows for the setting up of simple associations, commercial companies and farming societies of a private type for an efficient farming.

After the revolution, the survey also shows, the state has assisted agriculture with special credits, imports of fodder and chemicals—777 million dollars in 1990 and 255 million dollars in the first five months of 1991—the organization of the farm banking system through the setting up of the agricultural bank with 146 branches and 179 representations, as well as of the credit and saving cooperatives—people's banks—with 853 credit cooperatives and 250 cashier units, with both banks giving credits worth 2.2 billion lei and 14 billion lei respectively, after the revolution.

Likewise, the state has articulated a policy of farm produce prices that leads to the development of a free market, giving subsidies and encouraging the farmers.

International

Tudjman, Lord Carrington Hold Talks Near Graz

Croatia Insists on Cease-Fire

LD1311143291 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 13 Nov 91

[Text] Lord Carrington, the EC mediator in the peace negotiations on Yugoslavia, had a meeting with Croatian President Franjo Tudjman at Graz airport today. Talks between President Tudjman and Lord Carrington began at 1230. Following the talks in Graz, Lord Carrington is expected to leave for Belgrade. Here is a report by my colleague Jozo Curic from Graz:

[Curic] The EC has produced a new peace plan in an attempt to resolve the crisis. At the airport near Graz, talks took place between Croatian President Franjo Tudjman; Lord Carrington, chairman of The Hague conference; and Ambassadors Henry Wijnaendts and Dirk van Houten. Croatia insists on a cease-fire, while in its newly specified proposals the EC refers to peacekeeping forces. Reference was made to the method of their deployment. In the talks support was given to the model of withdrawing the Army from Croatia, like the one now implemented in Jastrebarsko which, it was said, has proven to be efficient.

Croatia insists that the cease-fire and its observance are conditions for everything else. Lord Carrington and Ambassador Wijnaendts have flown to Belgrade for talks with Serbian President Milosevic, and Defense Minister General Kadijevic. Lord Carrington refused to say whether the conference in The Hague would be resumed.

Tudjman Appraises Meeting

LD1311211891 Zagreb Radio Croatia Network in Serbo-Croatian 1830 GMT 13 Nov 91

[Interview with Croatian President Franjo Tudjman by editor Mladen Lackovic after Tudjman's meeting with Lord Carrington, chairman of The Hague peace conference on Yugoslavia, on 13 November; place not given—recorded]

[Excerpts] [Tudjman] Yes, I had a meeting; I do not know myself either how many times we have done this, but Lord Carrington did not come with any kind of new plan. Lord Carrington was only interested in knowing whether we have carried out our part of the obligations contained in the 18 October agreement, in fact that part which made it binding on us to deblock barracks and military facilities completely, something which has served as an excuse to the effect that we have not carried this out and, thus, that the Yugoslav Army has no obligations and could not carry out its part. I informed Lord Carrington that we have lifted the blockade. When he observed that we have, nevertheless, violated the cease-fire, I said that we could not look on with our arms folded and watch as the Yugoslav Army continues to occupy Croatian territory. So, we have unblocked the barracks now, when the EC has said that it would guarantee that the equipment of the units which are being moved out of Croatia would not be used again against Croatia.

[Lackovic] Mr. President, was there discussion at your meeting today of the arrival of the blue helmets or of the proposal of the four-member Serbian bloc in the Yugoslav Presidency?

[Tudjman] Yes. Not only was there a discussion, but I can say that it was the main topic of the talks. In fact, Lord Carrington asked what our attitude was to this proposal from Belgrade—in other words, what we had in mind when we proposed the arrival of peacekeeping forces. After all, this was our proposal right from the beginning of the talks. I explained that we believe that peacekeeping forces could play a positive role in accelerating peace, in achieving peace, and in securing peace in this area if the Yugoslav Army withdraws from the whole territory of Croatia and that the peacekeeping forces, parallel with the withdrawal of the Yugoslav Army, could enter these areas as a guarantee of peace and as a guarantee of security for—as Belgrade avers—the allegedly imperilled Serbian inhabitants. [passage omitted]

[Lackovic] Lord Carrington was due to meet today with the other side as well. Do you have any information on how those talks went?

[Tudjman] No, we have not as yet, but he promised. From Graz—where we met—he flew to Belgrade, and I await news on how that meeting went. It is clear that in our talks we also looked at other questions relating to those you have mentioned. I was particularly persistent on the question of how Europe and the world can watch the criminal character of the war as reflected in Vukovar, Dubrovnik, and Slunj, considering the Yugoslav People's Army's superiority in tank power—the Yugoslav Army is putting in tank brigade after tank brigade—its air superiority, and so on, and the naval blockade. Therefore, I asked the EC, Lord Carrington, and the United Nations to take effective measures for once—not just political appeals—so that we might secure normal communications with Vukovar and Dubrovnik and ensure medical supplies—in Vukovar, we have over 450 wounded, 2,000 children, and so on—so that it is not just a question of ensuring a truce in the normal sense—as we know, in all wars it is not easy to arrive at truces—but under such circumstances the international community has been known to use such measures to ensure the solution of such problems, which have primarily humanitarian aspects. Lord Carrington promised that he would, for his part, (?do this). Besides, I also spoke yesterday with French Minister Kouchner, who also promised that he would engage the International Red Cross and that he would also go with a UNESCO delegation to Belgrade as well to resolve this question. Thus, we are doing everything possible to assist in the critical areas.

[Lackovic] Mr. President, the EC has voted for sanctions. A part of negotiations and certain new actions has now been transferred to the United Nations. How do you see the possibilities of sanctions toward Yugoslavia or selectively? Will certain republics be excluded from these sanctions?

[Tudjman] Well, on this we do not yet have any special information nor have we considered this particularly. In any event, I will tell you openly: We do not expect much; we do not expect a solution from economic sanctions alone, just as hitherto we have not expected much from the mere signing of cease-fires. However, we have, at the same time—and we are doing this today, too—been carrying out both defensive and offensive moves both regarding Vukovar and regarding Dubrovnik and vis-a-vis imperilled areas. So, we are quite realistic here. [passage omitted]

[Lackovic] [Words indistinct] the statement by General Tus to REUTER that over the next few days one could expect an escalation of the conflict or rather the attacks by the Army?

[Tudjman] Yes, I also told Lord Carrington and Ambassador van Houten and Gen. (Eleret), who are familiar with the situation on Croatian battlefields and in Yugoslavia in general, in detail and those who were also present there, and they agreed with me, that we have information about the concentration of a new corps in the area of Brcko and Bosanski Samac, where fresh offensive operations against Croatia from this area can be expected. [passage omitted]

So, we have no alternative as hitherto but, on the one hand, to negotiate to prevent the escalation of the war and further destruction and further casualties, but likewise, at the same time, to strengthen our defense forces so that, if need be, we might also engage in offensive operations on our own. I repeated this to Lord Carrington when he asked me. He said asked: What will you do if there is no cease-fire and if we do not have any, he says, peacekeeping or peacemaking forces ready now which might be put in the field on their own? I said: If necessary, Croatia will fight to the last man for the liberation of every [word indistinct] of Croatian soil. [passage omitted]

[Lackovic] Mr. President, to what extent can international recognition help Croatia in all this, considering that such large countries as Germany, for example, are signalling recognition of Croatia at the beginning of December, regardless of whether other countries do the same, members of the EC....

[Tudjman, interrupting] I think that this is the greatest success of Croatian policy so far—that is, that we are on the threshold of recognition. Today—and I think the news is correct—Australia broke diplomatic relations with Yugoslavia; not only Germany but other countries have signalled this as well. We have assurances of this, and I believe that Croatia will be recognized within one month and that the war in Croatia will be over by the end of the year. [passage omitted]

President Milosevic Receives Carrington 13 Nov

Resuming Conference Addressed

LD1311183991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1749 GMT 13 Nov 91

[Text] Belgrade, 13 Nov (TANJUG)—Serbian President Slobodan Milosevic today received Lord Carrington, chairman of The Hague conference on Yugoslavia, and Ambassador Henry Wijnaendts, conference coordinator.

In the talks, which addressed questions on resuming the work of the conference on Yugoslavia and on preconditions for its successful completion, Lord Carrington acquainted President Milosevic with his views on finding an acceptable solution.

As announced by President Milosevic's office, it was assessed during the talks that it is vital that the free life and security of the Serbian nation in two regions be internationally guaranteed and protected by the adequate presence of UN peacekeeping forces.

Serbian Foreign Minister Vladislav Jovanovic also participated in the talks.

Carrington Assesses Talks

LD1311220891 Belgrade TANJUG Domestic Service in Serbo-Croatian 2132 GMT 13 Nov 91

[Text] Belgrade, 13 Nov (TANJUG)—Lord Carrington, chairman of the conference on Yugoslavia, told Belgrade TV after today's meeting with Serbian President Slobodan Milosevic that significant progress was achieved in the talks.

In view of the fact that one of the key topics of the talks was the Yugoslav Presidency's initiative on sending UN blue helmets to Croatia, Lord Carrington said that nothing has been agreed on this because the United Nations has not yet decided to do this.

I personally believe, Lord Carrington said, that it would be better if these were UN forces, but the world organization has yet to decide whether it is prepared to take such a step. If this does not happen, then perhaps the EC or the Western European Union would have to do this.

To the question of what the possibility is of continuing the conference on Yugoslavia, Lord Carrington replied: "We must see what is happening with the cease-fire before this."

Jovanovic Comments on Meeting

AU1311192491 Belgrade RTV Sat TV in Serbo-Croatian 1830 GMT 13 Nov 91

[Interview with Serbian Foreign Minister Vladislav Jovanovic by unidentified correspondent in Belgrade on 13 November—recorded]

[Text] [Unidentified correspondent] Mr. Minister, the talks between Slobodan Milosevic, president of the Republic of Serbia, and Lord Peter Carrington, chairman of the conference, lasted almost two hours. Would you please be so kind as to tell us what the talks were about and whether something has been agreed upon?

[Jovanovic] First of all, the talks were held in an open [otvoren] and constructive atmosphere. Most of the discussion was about the topic of the day, that is, the initiative of the SFRY Presidency that international peacekeeping forces should be brought to the territory of the two Krajinas whereby—along with adequate international guarantees—the freedom and security of the Serbian people in these Krajinas would be ensured. It is obvious that the SFRY Presidency's initiative was met with great interest and with adequate understanding, and that this has aroused the hopes of others, including Lord Carrington, that, following the line of this idea of bringing in international peacekeeping forces from the United Nations, we could—in the quickest and most efficient way—soon bring about not only a cease-fire, but also stabilize peace and create favorable conditions for finding a final political solution for the status of these Krajinas, a solution that, of course, would have to be both just and lasting.

Army General Kadijevic Meets With Carrington

UN Peacekeeping Force Agreed

LD1411112791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1056 GMT 14 Nov 91

[Text] Belgrade, 14 Nov (TANJUG)—Army General Veljko Kadijevic, federal secretary for national defense, had a meeting today with Lord Carrington, chairman of the peace conference on Yugoslavia, and Henry Wijnaendts, the special envoy of the EC Council of Ministers.

A department of the Federal Secretariat for National Defense announced on this occasion that it was stated by all concerned that everything should be done to implement immediately and fully the decision of the SFRY Presidency made in The Hague on 18 October 1991 on the establishment of a cease-fire, and the unblocking of units of the Yugoslav Peoples' Army [YPA] in Croatia and their relocation.

Army General Veljko Kadijevic stressed that the YPA would respect the political decision to engage UN peacekeeping forces, the basic task of which should be to separate the opposing sides and ensure the security of the Serbian population in crisis areas pending the achievement of a political agreement on the resolution of the Yugoslav crisis.

Carrington Interviewed on Peace Initiative

LD1311060991 London BBC Television Network in English 2230 GMT 12 Nov 91

[Interview with Lord Carrington, chairman of the EC peace conference on the SFRY, by correspondent Jeremy Paxman in London on 12 November; from the "Newsnight" program—recorded]

[Text] [Paxman] Is there any reason to believe that this initiative [on Yugoslavian peace] is going to be any more successful than the previous initiatives?

[Carrington] Something has happened in the interval between Rome and now, which is that both the Croatians and the Serbs asked for an international peacekeeping force either of the United Nations or of the EC. They have not done that before. Both sides have not done it before. I think it is worth going out there to see whether or not we could do something on those lines, but it will be necessary to know exactly what they mean. Do the Serbs mean a peace force on the line where they have got to, or do they not? I cannot, myself, see that the Croatians would accept a cease-fire and a international peacekeeping force in that sort of circumstance.

[Paxman] That question of where, precisely, peacekeeping forces would be deployed, is obviously the critical one. What is your position on it?

[Carrington] It seems to me that it would not be credible to have a cease-fire in a situation in which the Serbs could consolidate those areas of Croatia which they have occupied. Nor do I think that it is conceivable that one could accept a cease-fire in Dubrovnik, with the Serbs occupying Dubrovnik. After all, there is no reason the Serbs should go to Dubrovnik. There has never been any Serbian problem. It has never belonged to Serbia, and what they are doing there is inexcusable.

[Paxman] So, it would have to be a return to the preexisting boundaries?

[Carrington] Well, that would certainly be the ideal thing. I do not know whether there are any minor alterations one might make, but at the same time one would have to take care of the Serbian fears for the Serbian minority in Croatia. So, the peacekeeping force would have to deal with the Serbian minority in Croatia, because, after all, that is one of the things which is most disputed and which worries the Serbs most.

[Paxman] The precedents are not terribly encouraging, are they?

[Carrington] I think that one has to try to do something, because I was talking to someone in Dubrovnik this morning on the telephone, and you could hear the shells, and they were in the middle of the old city of Dubrovnik.

You could hear the shells and the misery of the people. They were all being bombed out of the hotels, outside the old town, all the refugees....

[Paxman, interrupting] So under what circumstances would you recommend that an EC or UN peacekeeping force get together and then deployed?

[Carrington] Well, I think there has got to be a cease-fire, and one that holds. I mean you cannot do it on the basis of sending a force in that is not going to fight. I mean, you cannot send a peacekeeping force when there is not a peace. Does that not make sense? I do not think anyone is going to send a peacemaking force. So, I think that what we have got to do is to get a proper cease-fire, get where the cease-fire line's going to be sorted out, and then the community or the United Nations will have to send a force in.

[Paxman] There are very strong reports from Germany, today, that the Germans are about to recognize Slovenia and Croatia as sovereign states. Would that be helpful?

[Carrington] I do not know, myself, that it would be very helpful to Croatia. I do not see how, in a way, it would alter the Croatian situation, because there is no way the Germans or anyone else is going to come in and drive the Serbian Army out of Croatia or police the borders merely because it has been internationally recognized. If it is internationally recognized, how will it alter the situation? But having said that, I think that if this goes on for a long time and there is no solution, and it is quite clear the Serbs are not prepared to have a solution, then I would judge that the community would very well decide to recognize Croatia and Slovenia. It will be for them to decide.

Soviet Deputy Foreign Minister on Role of Troops

LD1411142191 Belgrade TANJUG in English 1313 GMT 14 Nov 91

[Text] Belgrade, Nov 14 (TANJUG)—Soviet Deputy Foreign Minister Yuriy Deryabin has said that every variant in plans for a possible deployment of "blue berets" in Yugoslavia "must under no circumstances be allowed to mean the prejudging of any solution" between the warring sides.

"Their role and mandate must be strictly limited to maintaining the peace," Deryabin said in an interview published today in the Belgrade daily BORBA, adding that a precondition for any sort of deployment of an international force in Yugoslavia was a cease-fire and its total observance.

Deryabin said that in his opinion "one of the variants for a deployment of the blue helmets could be a zone between the current line of the front and the administrative border between the Yugoslav Republics of Croatia and Serbia. [quotation marks as received]

The Presidency of the SFRY on Saturday sent a letter to the United Nations Security Council asking it to send a force of "blue berets" to a line in Croatia dividing the areas which have majority Serbian populations from the rest of the republic. The Croatian leadership, however, holds that such a force should be deployed on the current administrative border between the two republics.

Asked about the final position of the Soviet Union on the economic sanctions against Yugoslavia, Deryabin said the Soviet Union could present it only after consultations with its republics—states—in particular with Russia.

UN Council Fails To Agree on Oil Embargo

LD1311233791 Belgrade TANJUG in English 2140 GMT 13 Nov 91

[Text] United Nations, November 13 (TANJUG)—The U.N. Security Council failed to agree on a draft resolution on imposing an embargo on oil deliveries to Yugoslavia, demanded in the latest European Community memorandum.

TANJUG learns from well-informed sources that after two meetings the seven non-aligned countries in the Security Council adopted a stand not to uphold [word indistinct] on an oil embargo on Yugoslavia, as it would "affect the country as a whole and all its citizens, most of whom are not responsible for what is happening in Yugoslavia."

Last night's second meeting of the U.N. Security Council five permanent membere also failed to reach agreement on the embargo since the Chinese representative expressed a stand very similar to that of the non-aligned countries.

As a majority of nine members is necessary to pass a resolution, it seems that the French proposal on an oil embargo has no chance of being adopted.

The head of the Yugoslav permanent mission to the United Nations, Ambassador Darko Silovic, had on several occasions in the past few days set out the stand of the Yugoslav Government—that the oil embargo was absolutely unacceptable, both for the country as a whole or each of its republics individually.

In the meantime, a new document has been drawn up at the United Nations on the basis of a meeting of the European Community in Mastricht, Netherlands, which sets forth a new element in the Yugoslav drama—the Yugoslav Presidency's initiative, signed by Yugoslav Presidency Vice-President Branko Kostic, which envisages the sending of a U.N. peacekeeping force to Croatia.

Several legal experts here told TANJUG correspondent that the initiative could not be overlooked, because it points to the solutions as urged by the Security Council and the European Community.

Yugoslav Presidency President Stjepan Mesic also sent a letter, through unknown channels to the president of the U.N. Security Council, calling for the sending of a peacekeeping force.

Neither of the letters is taken as official since they were not delivered via the Yugoslav mission in the United Nations.

However, the biggest unknown is the stand of the United States since President George Bush said last week in The Hague that the "United States will cosponsor the resolution on an oil embargo on Yugoslavia."

Paper, Officials Evaluate EC Economic Sanctions

LD1111143991 Belgrade TANJUG in English 1215 GMT 11 Nov 91

[Text] Belgrade, November 11 (TANJUG)—Sanctions adopted against Yugoslavia by the European Community (E.C.) will affect only those sides which are least to blame for the conflict—the economy and the population, Yugoslav economists agree in a poll conducted by the Belgrade daily VECERENJE NOVOSTI.

Yugoslav Ambassador to the E.C. Mihajlo Crnobrnja estimates that the measures will result in 650 million dollars' worth of damages, which is a relatively small sum against the 16 billion dollars' worth of the overall trade between Yugoslavia and the Community.

Nevertheless, economists warn that the E.C. sanctions will thrust the Yugoslav economy into an even deeper crisis because the supply of raw materials and semimanufactures and spare parts from abroad will be difficult, VECERNJE NOVOSTI writes today.

The introduction of quotas for textile exports to the E.C. and general preferences will especially affect the textile industry, the leather and footwear industry, the agriculture and processing industry, and ferrous metallurgy, expert of the Institute of Economic Sciences of Belgrade Tomislav Popovic says.

The balance of trade and balance of payments of the country will also be affected—in the case of Serbia, foreign exchange inflow in September already amounted to 63 million dollars, instead of 430 million.

Professor of the Faculty of Economics of Belgrade Nikola Malenovic underscores that Yugoslav republics would have to introduce rationing and a kind of war economy.

If the economic sanctions are applied in full, it could have many negative effects on the Republic of Slovenia, deputy foreign minister of Slovenia Vojka Ravbar says, because Slovenia exports 69 percent of its production to the E.C. and imports from the E.C. 62 percent of its overall imports.

The E.C. sanctions could also be felt by Yugoslavs employed abroad, because the blockade might serve as a reason to dismiss them, senior adviser at the Belgrade Institute of International Politics and Economy Konstantin Obradovic believes.

An economic blockade is one-sided and unfair and we do not believe it will be implemented in full, because it would harm foreign partners as well, Jugohemija Director Jovan Mileusnic and Centrotextil director Milija Srejic believe.

Yugoslav economists agree that sanctions will not stop the war or foreign arms suppliers, VECERNJE NOVOSTI writes. The measures will be effective only if they force the "Ungovernable Yugoslav leaders" to seek a peaceful way for resolving the political crisis, the Belgrade daily reports.

Daily Says Hague Talks Will 'Kill' Federation

LD1111124591 Belgrade TANJUG in English 1058 GMT 11 Nov 91

[Text] Zagreb, Nov 11 (TANJUG)—The Zagreb daily VJESNIK today writes that "The Hague formula is about to kill Yugoslavia politically as an international legal entity, by means of which the republics will appear on the European stage as states."

"The very fact that the (Yugoslav People's) Army and (the Republic of) Serbia already know the final outcome explains their present nightmarish strategical moves," the daily writes.

"Calls for U.N. troops that are now coming from Belgrade, the fooling around with the Chinese veto in the Security Council to an oil embargo to cut off supplies to the Army, the play on the card of division betwee Gorbachev and Russia... All are symptoms of political bungling and not evidence of long-term power," VJESNIK writes in conclusion.

Bonn Wants Slovenia To Cooperate at Hague Talks

LD1411063491 Belgrade TANJUG in English 0244 GMT 14 Nov 91

[Text] Ljubljana, November 13 (TANJUG)—Guenther Seibert, Germany's general consul in Ljubljana, today transmitted to Slovenia's President Milan Kucan Bonn's wish to see Slovenia further "constructively cooperate at The Hague conference."

Seibert also passed to Kucan a message from Germany's Foreign Minister Hans-Dietrich Genscher relative to the possibility of its granting recognition to Slovenia, Slovenia's Foreign Ministry made it known.

Kucan informed the German consul that, next week, Slovenia's parliament would appraise the work done by Slovenia's delegation at The Hague conference, and then inform Lord Carrington in detail about Slovenia's stands on the crisis in Yugoslavia.

Consortium Agrees To Build USSR Chemical Plant

LD1211123991 Belgrade TANJUG in English 1016 GMT 12 Nov 91

[Text] Belgrade, Nov 12 (TANJUG)—A consortium of Yugoslav firms, comprising Prva Iskra, Interexport and Energoprojekt, has signed in Baric near Belgrade a contract with the Soviet Tehmasinexport for building, on a turn-key basis, a factory in the Soviet Union for the production of lab, an alkaline commodity indespensable in the manufacture of detergents.

The contract is valued at 147 million dollars.

Prva Iskra of Baric has recently inaugurated a plant for the manufature of lab. The plant has an annual rated output of 50 thousand tons, valued at 50 million dollars.

Jovic Receives PRC Ambassador in Belgrade

LD1211210891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1704 GMT 12 Nov 91

[Text] Belgrade, 12 Nov (TANJUG)—A member of the SFRY Presidency, Borisav Jovic, received the PRC ambassador to the SFRY, Zhang Dake, in the Palace of the Federation today.

Ship Flying German Flag Sunk on Danube

LD1411110691 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 14 Nov 91

[Excerpt] The 84th day. War-engulfed Vukovar is recording new deaths—not, however, from grenades or bullets but from infectious disease. This is Sinisa Glavasevic reporting for Croatian Radio.

For a long time doctors have been warning of the critical conditions in which patients are living. The daily reports on the situation of 450 injured persons have nevertheless been received by the most influential medical operatives with reservations. After all, medical aid has never been sufficient, and in the meantime about 2,000 projectiles have fallen on one institution alone.

It is pointless to stress the inhumanity of the Yugoslav Army and the Chetniks, let alone of the ever more frequent demands that Vukovar surrender. Bestiality as concocted by greater Serbia has no bounds. Otherwise, how should one interpret this morning's sinking of a civilian ship which was sailing on the Danube under a German flag? This is not the first such instance. Foreign ships have already been attacked, but especially Austrian and German ships. [passage omitted]

Phare Program Officially Excludes Federation

LD1211041991 Belgrade TANJUG in English 0140 GMT 12 Nov 91

[Text] Brussels, November 11 (TANJUG)—The ministerial session of the group of 24 Western European countries wound up here this evening with the decision of excluding Yugoslavia from the Phare programme adopted two years ago for the sake of financial support to economic and political reforms in central and East European countries.

"We were compelled to discontinue aid to Yugoslavia," Frans Andriessen, vice president of the European Commission, told his press conference this evening, explaining that the situation developing in Yugoslavia "made it impossible" to invite it as well to today's meeting.

In a communique made public after the session, the 24 Western ministers voiced their extreme concern about going-on clashes and bloodshed in Yugoslavia and, therefore, they decided to deny it their governments' coordinated aid.

Frans Andriessen, vice president of the European Commission (the institution in charge of the Phare action), said that since early last year 45 billion dollars was set aside for the economic renewal of central and East Europe, of which 32 billion dollars within the 24 Western governments' coordinated aid. He cautioned, however, that so far only between 20 and 25 per cent of that sum had been invested in updating the national economies of the countries concerned. The United States and Japan are particularly falling behind in fulfilling their promises.

In the same period, it comes from figures prepared for today's ministerial meeting in Brussels, provided or meant for Yugoslavia has been about four billion dollars for the recovery and development of its economics.

Federal

Mesic Letter Asking for Forces Arrives at UN

LD1311185391 Belgrade TANJUG in English 1830 GMT 13 Nov 91

[Text] United Nations, Nov 13 (TANJUG)—A letter from Yugoslav State Presidency President Stjepan Mesic arrived at the U.N. in New York for the chairman of the U.N. Security Council, asking for the sending of peacekeeping forces to Yugoslavia, it has been officially confirmed at the U.N. headquarters.

However, official sources of the Security Council confirmed that it is to receive the same treatment as the previous one signed by Vice President of the Yugoslav State Presidency Branko Kostic, i.e. treated as a paper which cannot be considered as an official document for the world organization.

Mesic, representative of Croatia in the eight-member collective head of state, has not attended the sessions of the Yugoslav State Presidency since September 7. The sessions have been convened and chaired by Vice President Kostic, representative of Montenegro, and

attended by representatives of Serbia and its two provinces Kosovo and Vojvodina, Dr. Borisav Jovic, Sejdo Bajramovic and Jugoslav Kostic.

Under valid regulations, countries which are members of the United Nations convey official papers exclusively by way of their missions to the United Nations, which was not done in this case, since Kostic's and Mesic's documents arrived "through other channels."

What is more, U.N. peacekeeping forces have never so far been sent to stop or intervene in a war, but were always sent to preserve peace after an already achieved ceasefire, since they are for keeping the peace, as their name indicates. An exception was made only in the case of Korea and Iraq where it was a question of aggression against another country, while in the case of Yugoslavia it is an internal conflict.

Presidency Delivers Report on Resolving Crisis

LD1411060891 Belgrade TANJUG Domestic Service in Serbo-Croatian 2136 GMT 13 Nov 91

[Text] Belgrade, 13 Nov (TANJUG)—TANJUG has been informed by the information service of the collective head of state that the SFRY Presidency this evening delivered to the SFRY Assembly a report on its activities for resolving the state-political crisis in Yugoslavia.

This was carried out as a result of the current situation in the country and the initiative of the SFRY Assembly on 10 October. The wide-ranging report presents the essential characteristics of the Yugoslav crisis under the circumstances in which the SFRY Presidency is operating, and initiatives and proposals of the Presidency for overcoming the crisis, preventing and halting the armed conflicts, and protecting the constitutional order. It also covers the internationalization of the Yugoslav crisis.

This report is to form the basis of a debate at a joint session of both chambers of the SFRY Assembly, which has been convened for Friday [15 November]. The delegates are expected to be addressed by Branko Kostic, vice president of the SFRY Presidency.

Opposition Demands Vice President's Resignation

LD1411020291 Belgrade TANJUG in English 1903 GMT 13 Nov 91

[Text] Belgrade, Nov 13 (TANJUG)—Two opposition parties, one in Serbia and the other in Montenegro, today asked for the resignation or recall of the vice president of the Yugoslav State Presidency, Branko Kostic.

The Liberal Alliance from Montenegro, Kostic's republic of origin, called on the republican parliament president to place Kostic's recall on the agenda of tomorrow's parliamentary session.

The liberals accuse Kostic of "requesting the UN peacekeeping force after huge devastation and human casualties."

The Yugoslav State Presidency last Saturday [9 November], at a session chaired by Kostic, called on the UN peacekeeping force to mediate in Yugoslavia.

The leadership of the Serbian Renewal Movement (SPO), the strongest opposition party in Serbia, [words indistinct] the resignation not only of Kostic but of the members of the Yugoslav State Presidency from Serbia. The reason for the demand was Kostic's statement on the possibility of imposing a state of war and total mobilization in the country.

Since the beginning of October, the Yugoslav State Presidency which is composed of eight members, has been holding meetings with only four of its members, with Kostic as chairman and head but without the attendance of the representatives from the republics of Slovenia, Croatia, Macedonia, and Bosnia-Hercegovina. Such a "rump" Presidency has been functioning on the basis of the declaration of an immediate threat of war. The Yugoslav State Presidency is the Supreme Commamd of the Yugoslav Armed Forces.

The SPO also blames Kostic, as set out of "turning the just struggle of the Serbian people against the Ustasha genocide in Croatia into [words indistinct] war."

Delegates View Rationale of Chamber Session

AU1311173291 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 13 Nov 91

[Report by Olivija Rusovac]

[Text] At the meeting between Bogdana Glumac-Levakov, president of the Federal Chamber, and the coordinators and presidents of the working bodies of the chamber there were again different opinions on the rationale of the Federal Chamber session scheduled for 15 November.

The delegates from Macedonia and Bosnia-Hercegovina and the delegates of Albanian nationality from Kosovo presented their reasons why this session should not be held. They substantiated their views with the fact that even after four months the SFRY Presidency has not sent them the documents relevant for the discussion. They also raised the question of whether this session is attempting to legalize the state of war, the involvement of foreign troops, or a new method of work by the truncated Federal Chamber. The question of legality and legitimacy of the four-member presidency was also raised. In addition, the delegates from Macedonia said that the Macedonian Assembly is meeting on 15 November to promulgate the new republican constitution. For this reason they can be prevented from attending the session of the Federal Chamber.

The delegates from Serbia, Montenegro, and Vojvodina held the view that the situation is such that the assembly should work rather than withdraw, and that federal institutions should not disappear.

Aleksandar Mitrovic, vice president of the Federal Executive Council, also spoke in favor of the need for the assembly to meet, because, as he said, Yugoslavia exists, despite the fact that this is being ignored abroad. Mitrovic wondered whether it was right that The Hague should discuss economic sanctions and that the Assembly should keep silent. In connection with this, the vice president of the government said that Yugoslavia will not be able to withstand the drastic EC sanctions even for 15 days, and that the announced measures will be followed by a blockade of all accounts. Not everything should be left to the Federal Executive Council and the Presidency in this kind of situation, Mitrovic said.

According to Aleksandar Vujin, secretary of the Federal Chamber, the session has already been scheduled and the delegates will be allowed to discuss whether the session should have been convened or not.

Bank Official Discusses Debt Issue, Money Policy

LD1111164291 Belgrade TANJUG in English 1554 GMT 11 Nov 91

[Text] Belgrade, Nov 11 (TANJUG)—Yugoslavia is fulfilling international criteria for financial support, Yugoslav National Bank (NBJ) Governor Vukasin Markovic asserted today.

Markovic told a news conference that Yugoslavia, with its debt of 14.5 billion dollars in hard currency, ranks as a medium-indebted country.

Yugoslavia owes around six bln dollars to foreign governments, and 3.25 bln dollars to international financial organizations, said he.

The vice-governor explained that Yugoslavia no longer had a single money policy, as the northwestern republic Slovenia had excluded itself from the system when it introduced a month ago its own national currency, the tolar.

A similar unilateral move may be made by the Yugoslav Republic of Croatia, said he.

The NBJ was ready, he said, to react with counter-steps in case of Croatia's becoming inependent monetarily, and added that the consequences of this move would be much harder to sustain than those inflicted on Yugoslavia by Slovenia.

Asked about the NBJ stands towards the announced EC sanctions against Yugoslavia, Markovic said that the Board of Governors had not yet taken an official stand on this matter, lacking detailed information about the package of measures.

The vice governor assessed that the accounts of Yugoslav banks should not be expected because such a move would do more harm to the creditors.

He told newsmen that, according to NBJ estimates, this year's inflation in Yugoslavia would be 247 percent.

Slovenia

Payments, Economic Links With Republics Viewed

AU1311183291 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 13 Nov 91

[Report by Sonja Znidarsic]

[Excerpt] Slovenia's links with other parts of the former Yugoslavia have not been good for some time now. It is known that for some time already, the Serbian leadership has been launching a propaganda campaign and an economic war against us, for purely political and even ideological reasons. The Federal Government has also joined in this, so that relations in almost all [word indistinct] spheres have noticeably (?cooled). However, efforts are nevertheless being made to form economic links and continue economic cooperation. The representatives of the Social Accounting Service have met in Ljubljana and discussed these relations, particularly from the point of view of payment and financial consequences. Here is a report by Sonja Znidarsic:

[Begin Znidarsic recording] In nine months, Slovene enterprises have delivered to other republics somewhat more than 22 percent of their entire production and made 8.8 percent of all purchases there. Croatia is the most significant partner of Slovene enterprises. Despite various blockades, Serbia still occupies second place.

We have also heard at the news conference that the Slovene economy's exports activity has increased in recent months. [Word indistinct] of the purchase abroad has noticeably decreased. It was certainly interesting to hear an analytic review of the flow of payments with the rest of Yugoslavia.

As is known, a month ago the Federal Executive Council stopped the flow of payments with Slovenia. The Federal Government—if one can still call it that—should meet today. Among other things, it should discuss payments as well. Three proposals on the way they should be carried out in the future are being considered. According to the first variant, the blockade of the payments flow should continue, according to the second, the clearing account form of payment or payment with convertible currencies will be used with Slovenia, and, according to the third proposal, the dinar method of payment will be reintroduced between Slovene legal persons and their partners from other republics. According to Igor Omerza, director of the Social Accounting Service, the third, that is, the dinar method of payment, would be acceptable to Slovenia because it would ensure more or less unhindered

business operations. According to new plans, payments should be carried out through banks, although enterprises are already warning that this novelty is much more expensive and that there will be more delays than in the past when the job was done by the Social Accounting Service. [passage omitted] [end recording]

Croatia

Tudjman Optimistic About Republic's Future

AU1311095091 Vienna ORF Television Network in German 2010 GMT 12 Nov 91

[Interview with Croatian President Franjo Tudjman by Erich Macho in Zagreb; date not given—recorded; Tudjman statements in Serbo-Croatian with superimposed German translation]

[Text] [Macho] If you predict Croatia's future over the medium term, how do you see Croatia's political situation?

[Tudjman] The present situation in Croatia is alarming because of the war. The Yugoslav Army continues its aggressive inroads. Croatia, the whole of Croatia, is above all exposed to air raids. From this point of view, the Croatian towns are exposed to increasing dangers. However, from a general point of view, the political situation is favorable because we will win this war, although Europe is not able to make up its mind to condemn the aggressors in a way that would put an end to the aggression. I think that we will achieve Croatia's international recognition. For the talks within the framework of the The Hague conference have progressed so far that the EC countries said that recognition is close at hand.

Regarding war, we are unfortunately in the middle of it and confronted with a criminal war, for which no precedent exists on this territory, not even during World War II.

However, from the political point of view, Croatia is about to implement its full sovereignty and independence.

[Macho] Mr. President, you have just mentioned it, does Croatia feel deserted by Europe, above all Western Europe?

[Tudjman] Yes, we in Croatia are really very dissatisfied with Europe's attitude because the war that we are waging in Croatia is not only a war for Croatia. We are not only defending our freedom and our democracy, but we are also defending Europe against the attempt to reestablish communism. Moreover, we are defending Europe against the spreading of the war to other territories. Those dogmatic communist generals, the greater-Serbian imperialists, want to spread the war to the whole of the Balkans and to split the EC. They are more interested in a third world war than in peace. Europe pretends that it can neither see nor hear. I think this is very alarming. This is not an ethnic conflict, but Serbian imperialism, an imperialism that already provoked World War I. And these are the remains of a communist army, which was busy establishing communism until the coup in the Soviet Union failed.

[Macho] Can you still imagine some form of cooperation with Serbia?

[Tudjman] You know, one must never say no in politics. However, at any rate, such a war, the attempt to conquer the Croatian territories, the destruction of the Croatian population and the Croatian economy are devastating. All that destroys the prerequisites for future cooperation.

As a man who still believes in the victory of reason—even in the Balkans, although Croatia never belonged to the Balkans, but was drawn into this Balkan whirlpool by circumstances—I nevertheless hope that there can be a Scandinaviazation of the Balkans, that this Europe will find the ways and means for it, and make a normal life for Serbs and Croats as neighbors possible. One can no longer discuss a joint life or a joint state, but the necessity of creating normal conditions for the life of an independent Croatia and an independent Serbia. I think that it is in the interest of the Croatian and the Serbian people and also in Europe's interest. Independently of the present tactics, the situation, and the hopelessness, I believe in the future.

[Macho] May I ask you one more question? [siren heard howling in background]

[Tudjman] Let us hope that they will not drop a bomb on us now.

[Macho] Under Tito, you were the youngest general and then you became a scientist. What induced you to turn your back on communism? What was the decisive element?

[Tudjman] This is a question that requires very careful thought. At any rate, Tito was a communist of the Eurocommunist type. Moreover, he was a Croat and thus a member of a suppressed people. He wanted to solve the national question on the basis of a confederation and equal rights, which the Serbs never accepted. Therefore, they could hardly wait for him to disappear from the political stage in order to implement their greater-Serbian plans and to create greater Serbia. [siren heard howling in background]

[Macho] The interview was ended because of the air-raid warning. Tudjman went into the air-raid shelter of his residence.

YPA Withdraws From Barracks Near Zagreb

LD1311121291 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 13 Nov 91

[Text] Units of the Yugoslav Army stationed at Jastrebarsko [southwest of Zagreb] began withdrawing from

their barracks at about 0900 this morning. The withdrawal is the result of an agreement reached last night between representatives of the Croatian Government and the Yugoslav Army under the auspices of the EC mission. Mato Granic, vicepresident of the Croatian Government, who was among the negotiators on the Croatian side, said the following to Croatian radio:

[Begin recording] According to my information everything has so far proceeded as agreed. There have been no incidents because the talks between the commander of the barracks and the president of the municipality have continued for almost two months. In other words, the units from these barracks have not taken part in any combat actions and that is one of the reasons why we have decided to give priority to the barracks in Jastrebarkso according to The Hague agreement.

The agreement we have signed should serve as a model for the withdrawal of the Army from other barracks in Croatia. [end recording]

Newspapers Support Request for UN Troops

LD1111140591 Belgrade TANJUG in English 1241 GMT 11 Nov 91

[Text] Belgrade, November 11 (TANJUG)—Sending the "Blue Helmets" to the line of demarcation between the forces involved in the conflict in the Republic of Croatia may help create necessary conditions for political negotiations in Yugoslavia without further bloodshed, a majority of Yugoslav newspapers say today, commenting on the Presidency's latest request to the world organization.

The Belgrade daily POLITIKA EKSPRES argues that the request is much more acceptable than the one to send forces of the Western European Union to Croatia.

The world organization's peace-keeping forces would separate the conflicting sides in Croatia, while the EC troops would occupy the administrative border between Serbia and Croatia and thus legalize the secession, the paper says.

It notes that the UN is made up of the representatives of different countries, including those which may have "more understanding than the EC for the survival of Yugoslavia."

The daily BORBA strongly criticizes the "Serbian bloc" in the Presidency of Yugoslavia which, until recently had refused to accept foreign troops. The paper calls this change of heart "a desperate move of men who finally realized that no national problem in this area can be settled by force."

BORBA believes that the Security Council may accept the request which, "essentially, is very good and, in the long run, feasible."

According to OSLOBODJENJE, the decision to invite the "Blue Helmets" is a result of military failures, financial bankruptcy and clear prospects of an impending political catastrophe.

The paper maintains that by this decision, the "Serbian bloc" is trying to prevent the economic boycott from spreading, especially through the imposition of an oil embargo, and to transfer the whole matter to within the UN competence. In this context it says that this political manoeuvre will not help much, if this is its only purpose, because the ec has general support for all its actions.

The Belgrade daily VECERNJE NOVOSTI criticizes the Yugoslav Presidency wondering why, when it was still in its full composition, it did not ask the UN to help it disarm the Croatian paramilitary formations before the clashes broke out.

MAGYAR SZO, a hungarian-language paper published in Serbia, writes that all parties to the conflict are referring to the UN with different aims in mind.

Croatia wants the Blue Helmets posted on its borders with Serbia and Bosnia-Hercegovina, the Serbs in Croatia want them located on their territory, while the "rump" Presidency wants them to form a buffer zone between the warring sides, says the paper. However, it notes, they all agree on one point—that the UN presence is necessary and this, it says, is a great result in the existing circumstances.

Communist Party Adopts New Name at Convention

LD1011050791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1605 GMT 9 Nov 91

[Summary] Zagreb, 9 Nov (TANJUG)—At its convention today, the Party of Democratic Change [former Communist Party] altered its name. Its new name is the Social-Democratic Party-Party of Democratic Change of Croatia. The party no longer advocates Yugoslav integration.

Republic Accused of Pursuing 'Nazi' Policies

LD1411130891 Belgrade TANJUG in English 1217 GMT 14 Nov 91

[Text] Belgrade, Nov 14 (TANJUG)—The Presidency of Yugoslavia has accused the authorities of Croatia of "intensifying and pursuing Nazi and fascist policies."

In a report on the "activities of the Presidency on the settlement of the state-political crisis in Yugoslavia" which the collective head of state submitted today to the federal parliament, it is noted that "several figures in the extremist Ustasha emigre corps have ascended to high posts in the Croatian authorities and armed formations."

The report of the Presidency, whose sessions have since the beginning of October been attended only by its members from the Republics of Serbia and Montenegro,

and Serbia's two provinces—Vojvodina and Kosovo—will be discussed tomorrow by the federal parliament.

It has been announced that Presidency Vice-President Branko Kostic will address the federal parliament about the situation in the country.

Serbia

Democratic Party Cautions on Crisis Consequences

LD1211230391 Belgrade TANJUG in English 2143 GMT 12 Nov 91

[Text] Belgrade, November 12 (TANJUG)—The Democratic Party (DS), the second-strongest opposition party in the Yugoslav Republic of Serbia, today warned about the "accelerated dramatization of the Yugoslav crisis" which will have "unforseeable consequences."

A DS statement was devoted to last night's statement by Yugoslav State Presidency Vice-President Branko Kostic which "raises a number of questions which could have grave covsequences."

Kostic said that the Yugoslav Presidency would, if its request for the sending of UN peacekeeping forces is not met, declare a "state of war and total mobilization, and order the armed forces to quell the rebellion in Croatia."

"It remains unclear in which parts of Yugoslavia the Presidency intends to declare a state of war and total mobilization, as well as the ultimate goal of these intentions," the DS said, noting that "only Serbia and perhaps Montenegro could be subjected to a state of war and total mobilization."

According to the DS, the rump Yugoslav Presidency—whose sessions are only attended by representatives of the Yugoslav Republics of Serbia and Montenegro and the Serbian provinces of Vojvodina and Kosovo since October 3—has opted for war.

"This is an adventurous policy which can result in turning the legitimate concern for the Serbian people in Croatia into a total, hopeless war. We believe that such a policy is against the interests of Serbia and the Serbian people," the DS statement said.

Kosutic Warns Europeans Against Croatian Support

LD1011044191 Belgrade TANJUG in English 2250 GMT 9 Nov 91

[Text] Belgrade, Nov 9 (TANJUG)—Deputy Prime Minister of the Yugoslav Republic of Serbia Budimir Kosutic warned today that Great Britain, France and several other European countries did not realize where Germany's support for fascism in Croatia was leading.

In an interview to the BBC, Kosutic said he feared that the European countries might repeat the mistake made in the period leading up to World War Two, except that the consequences would be far bigger this time around.

Both Yugoslavia and Serbia, he said, have accepted the good services of the European Community in the belief that these countries would abide by their own rules, as well as by the rules of international law.

After the rules were broken, the Serbian people were left with no choice, the Serbian deputy prime minister said.

Commenting on the EC's economic sanctions against Yugoslavia, Kosutic told the German television ZDF that the authorities of Germany were fighting for a new European and world order, but were not honouring international regulations and the customary international standards.

This is confirmed by the conduct of Foreign Minister Hans Dietrich Genscher, and especially the economic sanctions he is proposing against Serbia, Kosutic said.

Energy Minister Interviewed on Oil Supplies

AU1111171191 Belgrade RTV Sat TV in Serbo-Croatian 1830 GMT 10 Nov 91

[Interview with Serbian Energy Minister Nikola Sainovic by Cedomir Mirkovic; place and date not given—recorded]

[Text] To judge by the announced sanctions, the EC seems to want to punish what it calls some of the disobedient with, among other things, an embargo on oil imports. What does Nikola Sainovic, the responsible Serbian minister for energy, think about this.

[Sainovic] Oil is being used to threaten us. I think that I only need to recall, even though I think that our people know, that we produce somewhat more than a million tonnes of crude oil a year by ourselves. This means that literally no one can stop us. In life, for the minimal existential requirements, for what one needs to survive, this country will always be stable.

Our resources—our wealth in electricity, in agriculture, and in nonferrous metals—will mean that oil will grow in power stations through the export of electricity, in Vojvodina through corn exports, and in Borovo and Trepca through exports of non- ferrous metals. This country has realistic oportunities on which it can rely. We will use these opportunities in the best way possible. The people have nothing to be afraid of.

[Mirkovic] What in your opinion is urgent at the moment?

[Sainovic] What is urgent above all in the field of energy is to provide from our underground coal mines and from our strip mines additional quantities of coal for the population and for industrial and heating plants, in order to reduce the need wherever this is possible, for crude oil, above all, and through another completely

different way of organizing business operations to provide channels for supplying oil, which we have already worked out in the last month and which is already functioning in purchasing, the payment system, and transport, that will not be too sensitive to any political blow.

Vojvodina Denounces Rumors on Hungarians in Army

LD1211071791 Belgrade TANJUG in English 0306 GMT 12 Nov 91

[Text] Novi Sad, November 11 (TANJUG)—The Territorial Defence headquarters of the province of Vojvodina, northeastern Yugoslavia, today characterized as "an absolute lie" claims having it that ethnic Hungarians are being called up for military service in the Yugoslav People's Army (YPA) units in a higher percentage than their count is as an ethnic minority in this province in Yugoslavia. "Some Yugoslavia's Hungarian-language public mass media organs" were quoted as sources of such rumours, the headquarters information service announcement had it.

An untruth is that every fifth draftee or called up member of Hungarian nationality is getting killed on battlefield in the Republic of Croatia bordering on the province of Vojvodina, the announcement says.

The truth is that, since clashes broke out, one ethnic Hungarian has got killed and another seven got wounded in Territorial Defence units, the announcement has it.

The ethnic Hungarians are called on in the announcement "not to be tricked by false protectors" and reminded that "members of the Armed Forces" in Yugoslavia "are not divided by nationality," since they are regarded in the Armed Forces only "as patriots."

Bosnia-Hercegovina

SDP Warns Against Slovene, Croat Independence

LD1311131391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1151 GMT 13 Nov 91

[Text] Sarajevo, 13 Nov (TANJUG)—The lull and the crisis in the work of The Hague conference have resulted in increasingly clear intimations, implied in Lord Carrington's statements, that separate recognition of the independence of the Republics of Slovenia and Croatia could occur soon. In this connection a statement issued today by the Socialist Democratic Party of Bosnia and Hercegovina [SDP BIH] stresses that that would be a great mistake by the EC with unforeseeable consequences for the future of this country's citizens and peoples.

This sort of decision, stresses the SDP BIH, is not in the interest of Bosnia and Hercegovina, because the republic would then be left to the tender mercies of militant greater state nationalists. This party believes that the crisis can only be resolved in a peaceful and democratic manner by a simultaneous recognition of the sovereignty of all the republics, and by drafting and signing a joint convention on setting up a new Yugoslav association, the form of which would be a federation of sovereign republics.

Because of the intimated partial recognition of the Republics of Slovenia and Croatia as independent states, which represents a unilateral act of secession, the SDP BIH will send a letter to the EC warning it of the consequences of such a possible decision. This is why, it is stressed, The Hague conference should resume work as soon as possible so that, in the spirit of its intentions, an agreement can be finalized concerning the solution of the Yugoslav crisis with an active role being played by the United Nations.

Serbs Convene Assembly Session for 21 Nov

AU1311170391 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 13 Nov 91

[Report by Ljubomir Nikolic from Sarajevo]

[Text] Momcilo Krajisnik, president of the Assembly of Bosnia- Hercegovina and the Assembly of the Serbian people, informed us today that the session of the Serbian Assembly will be held on Thursday, 21 November. One should expect the adoption of several very important decisions, Krajisnik said, adding that the organs of the Serbian Democratic Party and the club of the Serbian deputies in the republican assembly will soon clarify their stands based on the will of the people expressed at the plebiscite, and adopt drafts of their decisions.

Replying to a statement made by Alija Izetbegovic yesterday, according to which the Party of Democratic Action and the Croatian Democratic Community do not know what the Serbian Democratic Party want, Momcilo Krajisnik said that if this has not been clear to Izetbegovic up to now, he will certainly be clear about it on 21 November.

At this session Serbian deputies will decide on their participation in the extraordinary session of the republican parliament scheduled for a day later. The session is supposed to discuss the economic situation in the republic. At this session we will present our stands and views on how the serious economic problems in the republic should be resolved, Krajisnik said.

Professor Dr. Nikola Koljevic, member of the republican presidency, told us that he and Professor Biljana Plavsic expect to meet Lord Carrington in Sarajevo tomorrow. We do not believe that Alija Izetbegovic will fail to mention us, especially now when after the plebiscite we have something to say to Lord Carrington, Professor Koljevic said.

Macedonia

Parliament Split Over New Constitution

AU1111173091 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 11 Nov 91

[Report by Boris Djordjioski from Skopje]

[Text] Macedonia is the mother state of the Macedonian people and other citizens who live in it. This amendment that was proposed by the Liberal Party-Alliance of Reform Forces of Macedonia two days ago and was then adopted at the session of the Assembly of Macedonia was the reason for discord in the parliament today.

The Liberal Party deputy withdrew the proposed amendment [as heard] today because he thought that it could cause interethnic complications to the detriment of Macedonia. If the deputies, who were overcome by exhaustion and guided by unpatriotic euphoria, were to adopt this formulation this would bring into question international recognition. He thought that the proposal should be reconsidered.

The deputies of VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity] were (?also) against repeating the debate on the already-adopted first article of the Macedonian Constitution because they say that this is a parliament and not a puppet theater in which someone pulls the strings and dictates the way the game will go. The allusion is to the fact that policy is tailored outside parliament and that the Macedonian people are laughing at everything that happens in the Macedonian parliament, which resembles a circus.

The deputies of the Albanian parties do not allow the Constitution to continue the formulation of Macedonia as the mother state of the Macedonian people, as they think that they would thus be totally disenfranchised. When this amendment was adopted, they walked out of the Assembly session in protest two days ago.

The Social Democrats have withdrawn all their amendments. The VMRO has not abandoned its stand to adopt a national Macedonian constitution while the others are seeking a civilian [gradjanski] constitution. Threats that Macedonia will also smell of gunpowder can also be heard.

Parliament President Stojan Andov, who frequently had to outshout the deputies in the Assembly hall, welcomed the breakdown of the hall's loudspeaker system and announced a recess of 15 minutes. This will probably be a recess for new talks between parties because many deputies claimed that the loudspeakers in the hall were working very well.